

Public Distribution System of Essential Commodities as a Social Safety Net

A Study of the District of Allahabad, Uttar Pradesh

Final Report

Submitted by

Bhaskar Majumder

To

Planning Commission

Government of India

New Delhi



**Govind Ballabh Pant Social Science Institute
Jhusi, Allahabad**

Phone: 667214, Fax: 667207

E-mail: majumderb@rediffmail.com

reach@gbpssi.com

Contents

Chapter Contents		ii-iii
Research Team		iv
Preface		v
Location Map		vi
List of Boxes		vii
List of Tables		viii-x
List of Figures		xi
Executive Summary		xii-xvii
Chapter One:	Public Distribution System in India: The Strengths and the Weaknesses	1-6
Chapter Two:	Public Distribution System in India: The Evolution	7-17
Chapter Three:	Public Distribution System in the District of Allahabad: Background, Coverage, and Methodology	18-38
Chapter Four:	Public Distribution System in the District of Allahabad: The Facts	39-112
Chapter Five:	Public Distribution System in the District of Allahabad: Major Observations and Suggestions	113-122
Chapter Six:	Recommendations	123-129
References		130-131
Appendix:	Questionnaires	132-149

Chapter Contents

Chapter One	1-6
1.1 Introduction	1
1.2.1 Public Distribution System: The Rationale	1
1.2.2 Prices, Poverty, and Public Distribution System	4
1.3 Arguments against Government Intervention in the Foodgrains Market	5
Chapter Two	7-17
2.1 Introduction	7
2.2 The History behind the Introduction of PDS in India	7
2.3 Revamped Public Distribution System: Some Features	9
2.4 Food Stocks, Allocation, and Off-Take: Purpose and Position	10
2.5 Release of Surplus Stocks through Non-FPS Measures	13
2.6 Quality of Items in PDS	13
2.7 Targeted Public Distribution System: Features and Rationale	14
2.8.1 Subsidy on Essential Commodities Distributed through the PDS	15
2.8.2 Subsidy on Sugar	16
Chapter Three	18-38
3.1 Background	18
3.2 Objectives of the Study	21
3.3 Coverage and Methodology	21
3.4 Sample District Profile	29
3.5 Public Distribution System: Profile of the District of Allahabad	33
3.6 Allotment and Lifting of Items in PDS, District Allahabad 1998-2001	38
Chapter Four	39-112
4.1 Profile of Sample Households	39
4.2 Profile of Households in the Sample	43
4.3 Profile of Population in the Sample	49
4.4 Distribution of Sample Households in Terms of Location of FPSs, Number of FPSs at Village Level, and Holding Pattern of Ration Cards and Distribution of Units	53
4.5 Gap Between Requirement and Distribution of Items Per Period, and Gap Between Market Price and FPS Price of Items at District Level	57
4.5.1 Item-wise Gap by Quantity Distributed to Households at Block Level	62
4.5.2 Item-wise Price Differential between Open Market and FPSs at Block Level	65

4.6	Required Expenditure by Households on Essential Commodities (At both Market Price and FPS Price)	68
4.7	Regularity in Purchasing Items from FPSs	71
4.7.1	Reasons for Non-Regular Purchase of Rice, Wheat and Sugar from FPSs	72
4.7.2	Regularity in Consumption of Sugar by Households and its Fulfillment by Purchase from FPSs	74
4.8	Required Quantity of Kerosene Per Period: Sufficiency in Supplying through the FPSs and Supporting Non-FPS Sources	76
4.9.1	Distribution of Rice and Wheat by Quantity: The Extent of Satisfaction of the Households	78
4.9.2	Distribution of Sugar and Kerosene: The Extent of Satisfaction of the Households	80
4.10	Awareness of the Households	83
4.11.1	Response of the Households Regarding Withdrawal of Sugar from the PDS	87
4.11.2	Response of the Households Regarding Withdrawal of Kerosene from the PDS	89
4.12	Response of the Households to the Question of Confinement of PDS to Rice and Wheat Only	90
4.13	Response of the Households to the Question of Requirement of Kerosene from PDS in Case of Availability of Electricity	93
4.14.1	Perception of the Households about FPS Dealers	96
4.14.2	Perception of the Households about FPSs in Terms of Scheduled Time Followed in Operating the Shops	97
4.15	Verification of Ration Cards of Households by Government Department	99
4.16	Role of Panchayats in PDS	102
4.17	Perception of the Households about How to Improve the Functioning of PDS	105
4.18	Reactions of FPS Dealers	106
4.19	Problems of FPS Dealers	108
4.20	Awareness of FPS Dealers about the Commission on Different Items	111
Chapter Five		113-122
5.1	Major Observations	113
5.2	Major Suggestions	120
Chapter Six		123-129
6.1	Introduction	123
6.2.1	Recommendations based on the Study	123
6.2.2	Recommendations at a Glance	127

Research Team

Project Director

Dr. Bhaskar Majumder

Research Assistants

Sri Gyan Nath Jha

Sri Madan Gopal Gupta

Sri Ashok Kumar Dwivedi

Sri Sandip Kumar Jaiswal

Preface

The Final Report on the 'Public Distribution System of Essential Commodities as a Social Safety Net: A Study of the District of Allahabad, Uttar Pradesh' that we are going to submit to the Planning Commission, Government of India, has been funded and supported by the latter. This support covers both time allowed for the study and money allotted to conduct the study at the micro level. We hope that the findings, the suggestions, and the recommendations of this study will bear macro implications for the national economy.

The collection of data, which are the statistical abstractions of concrete socio-economic reality in the life of the people at the grass root level, would not have been possible without the untiring efforts of the project staff meant for this purpose. The members in the project staff are the persons who took all the pains to tabulate and present data collected from the field in accordance with the objectives of the study. The errors in interpretation of data, and policy recommendations that followed, rest with me.

We are thankful to Sri P.N. Nigam, Deputy Adviser (SER) in Planning Commission, Government of India, for his kind interest in this study. At the level of Government of Uttar Pradesh, we are particularly grateful to Sri N.C. Bajpai, ex-Secretary, Food and Civil Supplies Department, who took keen interest in this study. In fact, one of my colleagues, Dr. Sunit Singh, had to present the major study questions and objectives of this study in the State Secretariat, Lucknow, on October 3, 2000, in presence of Sri. Bajpai and all the responsible officers in his Department. We earnestly acknowledge the efforts of Dr. Singh and the Officers in the Department. We are especially thankful to the Director of our institute, Prof. Janak Pandey, who worked silently as a facilitator in these whole processes of interactions.

We are thankful to Sri R.K. Singh, Regional Food Controller, Allahabad for his valuable support, both in terms of the time spared for our meeting with him in his office on October 3, 2000, and as a facilitator while we were in the field. We are also thankful to Sri. S.P. Srivastava, District Supply Officer, for ensuring a smooth environment in the field. We acknowledge the services of the Supply Inspectors who had been with us in the field throughout the days of Field Visit. The members in the Panchayats and Ward Sabhasads of Municipalities rendered valuable support for us in collecting information and in meeting the target people in the field.

We are especially thankful to the target people as respondents to our questionnaire. We have treated these people as subjects, and not objects, of this study. We wholeheartedly acquired ideas from these people, the households and the Fair Price Shop dealers, in addition to their specific responses to the specific questions that we posed. The recommendations that we have offered in this Report relied heavily on the facts and ideas brought to light by these target people.

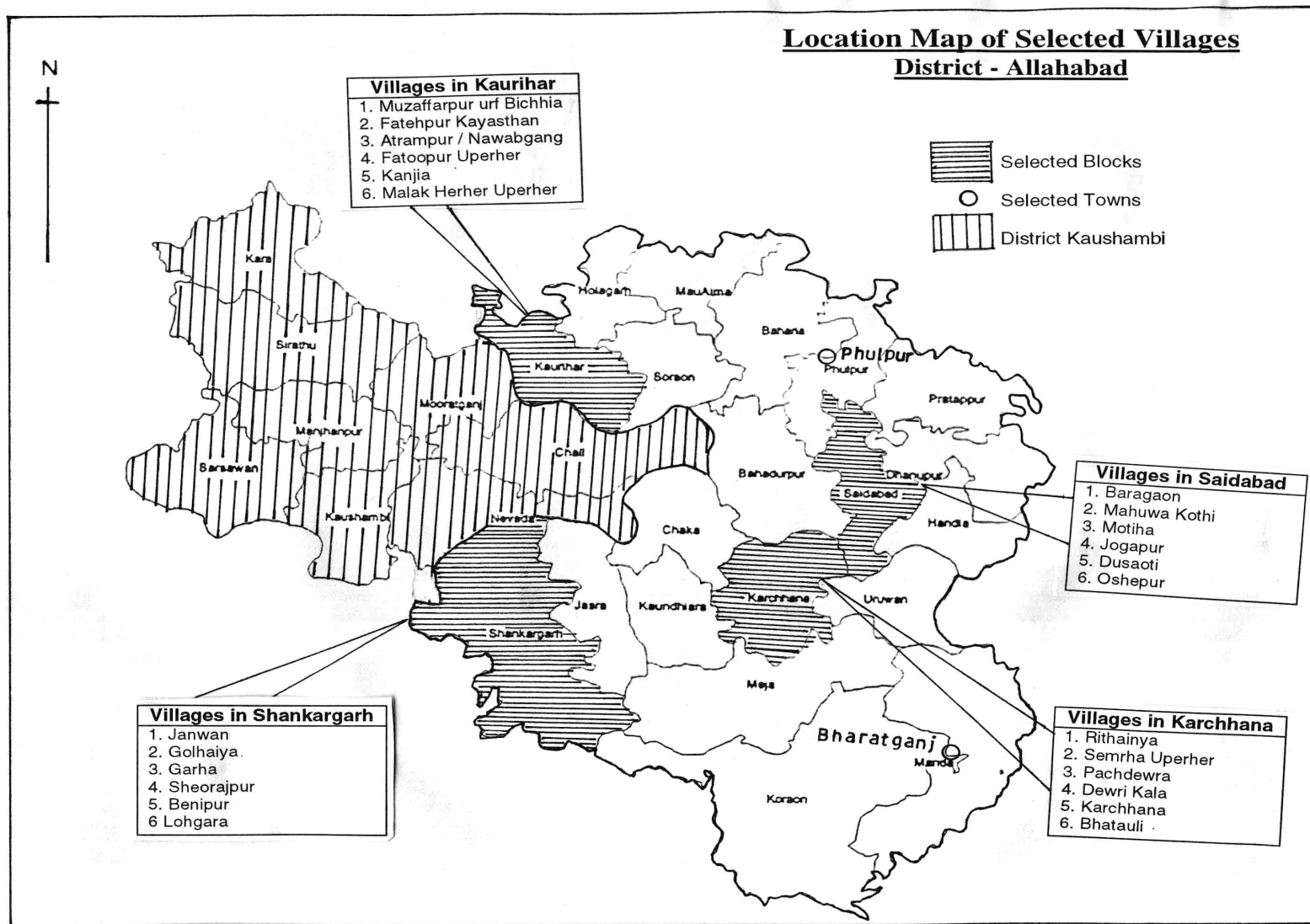
We are thankful to all the members in the Faculty of the Institute for their valuable suggestions on the Draft Proposal presented in a seminar organized by the institute. For collection of secondary data, we banked on the library of the institute, in addition to the library of the Indian Statistical Institute, Calcutta. The Institute provided all the infrastructural and manpower facilities for getting the Report in the shape as it is now. We are extremely grateful to Ravi Srivastava, Professor, CSRD, JNU, New Delhi, for his valuable suggestions and comments on the Draft Report submitted earlier. May we be excused if we forget to mention the valuable services of persons in conducting this study.

On behalf of the Research Team, I submit the Final Report of the study to the Planning Commission, Government of India, for acceptance.

Date: 15.11.2001

G.B. Pant Social Science Institute, Allahabad

– Bhaskar Majumder



List of Boxes

Box 1	Sampling Procedure	22
Box 2	Profile of Sample Villages/Wards within their respective Blocks/Towns and Tehsils	23
Box 3	Study Tools and Major Objectives at Village Level	24
Box 4	Administrative Set up of Supply Department, Government of U.P.	36

List of Tables

Table 2.1	Procurement of Wheat and Rice, 1980-2001	12
Table 2.2	Allocation and Offtake of Foodgrains in India under PDS, 1991-2001	13
Table 2.3	Subsidy on Food and Sugar, Rs. Crs., 1991-2000	17
Table 3.1	Profile of Sample Villages/Wards, Allahabad District, 1998	25
Table 3.2	Category-wise Distribution of Sample and Total Number of Villages in the District	26
Table 3.3	Profile of Selected Villages in Sample Blocks	27
Table 3.4	Profile of Sample Villages/Wards, Allahabad District	28
Table 3.5	Profile of District Allahabad (Major Demographic and Social Indicators)	29
Table 3.6	Basic Facilities (Per lakh population), Allahabad District	30
Table 3.7	Occupational Structure, Allahabad District	30
Table 3.8	Land Holding Pattern, Allahabad District	31
Table 3.9	Land Use Pattern, Allahabad District, 1998	32
Table 3.10	Product-wise Land Utilization Pattern and Yield, Allahabad District and U.P., 1998	32
Table 3.11	Distribution of Cards by BPL and APL Categories of Households and Units in Allahabad District	33
Table 3.12	PDS Profile, Allahabad District	35
Table 3.13	Allotment and Lifting of Rice (in Qt.) by FPS Dealers, District Allahabad, 1998-2001	37
Table 3.14	Allotment and Lifting of Wheat (in Qt.) by FPS Dealers, District Allahabad, 1998-2001	37
Table 3.15	Allotment and Lifting of Sugar (in Qt.) by FPS Dealers, District Allahabad, 1998-2001	38
Table 3.16	Allotment and Lifting of Kerosene (in K. Lt.) by FPS Dealers, District Allahabad, 1998-2001	38
Table 4.1	Village/Ward-wise Distribution of Households	40
Table 4.2	Distribution of Households on the Basis of Sample and Universe	41
Table 4.3	Distribution of Sample Households	42
Table 4.4	Gender-wise Distribution of Households	43
Table 4.5	Caste-wise Distribution of Households	44
Table 4.6	Education-wise Distribution of Households	45
Table 4.7	Occupation-wise Distribution of Households	47
Table 4.8	Occupational Structure of Households	48
Table 4.9	Income and Employment Structure of Households in Terms of Income and Time Categories	48
Table 4.10	Gender and Caste-wise Distribution of Sample Population	50

Table 4.11	Income-wise Distribution of Sample Households and Population at District Level	51
Table 4.12	Income-wise Distribution of Sample Population at Block Level	51
Table 4.13	Income-wise Distribution of Households at Block Level	52
Table 4.14	Distance by Location of FPS from the Residences of Households	54
Table 4.15	Distribution of Households on the Basis of Number of FPS at Village	55
Table 4.16	Holding Pattern of Ration Cards of Households	56
Table 4.17	Distribution of Units in existing Ration Cards	57
Table 4.18	Gap Between Requirement and Distribution of Items Per Month and Gap between Market Price and FPS Price of Items	59
Table 4.19	Requirement and Distribution of Items Per month and Gap between Requirement and Distribution Per month	66
Table 4.20	Price Gap between Fair Price Shop and Open Market, Item-wise	69
Table 4.21	Required Expenditure (Annual Average) by Households on Essential Commodities (At both Market Price and FPS Price)	70
Table 4.22	Regularity in Purchasing Items from FPSs by Households	72
Table 4.23	Reasons for Non-Regular Purchase of Foodgrains from FPSs	73
Table 4.24	Reasons for Non-Regular Purchase of Sugar from FPSs	74
Table 4.25	Regular Consumption of Sugar by Households	75
Table 4.26	Consumption of Required Sugar Purchased Though FPS and Open Market	76
Table 4.27	Response of the Households about Distributed Quantity of Kerosene in FPSs	77
Table 4.28	Required Quantity of Kerosene met by Non-FPS Sources for Not-Fully-Satisfied Households	79
Table 4.29	The Extent of Satisfaction of the Households about Quantity of Rice and Wheat Distributed through the FPSs	81
Table 4.30	The Extent of Satisfaction of the Households about Quantity of Sugar and Kerosene Distributed through the FPSs	82
Table 4.31	Awareness of the Households about Price Chart at FPS and Price Information	84
Table 4.32	Awareness of the Households about Correct Price of Information in Fair Price Shops	86
Table 4.33	Awareness of the Households about the Names of FPS Dealers	87
Table 4.34	Response of the Households about Withdrawing Sugar from the PDS	89
Table 4.35	Response of the Households about Withdrawing Kerosene from the PDS	90
Table 4.36	Response of the Households if their Requirement for Rice and Wheat are Supplied through the FPSs	91
Table 4.37	Reasons Offered by Unsatisfied Households (Confinement of PDS to Rice and Wheat Only)	92
Table 4.38	Reasons Offered by Satisfied Households (Confinement of PDS to Rice and Wheat Only)	93

Table 4.39	Response of the Households about the Need for Availability of Kerosene from the FPS (If the Houses have Electricity)	94
Table 4.40	Reasons Offered by the Households for Continuation of Supply of Kerosene from the FPS (In Presence of Electricity in the Residences of the Households)	95
Table 4.41	Perception of the Households about Fair Price Shop Dealers	96
Table 4.42	Reasons Offered by Unsatisfied Households about FPS Dealers	97
Table 4.43	Perception of the Households about Following the Scheduled Time in FPSs	98
Table 4.44	Reasons Offered by Households Regarding Non-maintenance of Scheduled Time by FPS Dealers	99
Table 4.45	Verification of Ration Cards of Households by Supply Department	99
Table 4.46	Perception of the Households about the Role of Panchayats in PDS	103
Table 4.46a	Perception of Households about the Positive Role of Panchayats in PDS	103
Table 4.46b	Perception of Households about the Negative Role of Panchayats in PDS	104
Table 4.47	Perception of the FPS Dealers about the Role of Panchayats in PDS	104
Table 4.48	Perception of the Panchayat Members Regarding the Role of the Panchayats in PDS	105
Table 4.49	Suggestions Offered by the Households for Improving the Functioning of the PDS	106
Table 4.50	Reactions of FPS Dealers about Supply Department	107
Table 4.51	Reactions of FPS Dealers about the Cardholders	108
Table 4.52	Reactions of FPS Dealers about Influential People Affecting the PDS	108
Table 4.53	Problems of FPS Dealers about Quantity of Items Allotted by Supply Department	109
Table 4.54	Problems of FPS Dealers Regarding Withdrawal of the Quota and Transportation	110
Table 4.55	Methods of Adjustment Adopted by the FPS Dealers Regarding Undistributed Items	111
Table 4.56	Awareness of the FPS Dealers about the Commission on Items	112

List of Figures

Fig. 3.1	Allotment and Lifting of Rice by FPS Dealers for BPL Households	38
Fig. 3.2	Allotment and Lifting of Rice by FPS Dealers for APL Households	38
Fig. 3.3	Allotment and Lifting of Wheat by FPS Dealers for BPL Households	38
Fig. 3.4	Allotment and Lifting of Wheat by FPS Dealers for APL Households	38
Fig. 3.5	Allotment and Lifting of Sugar by FPS Dealers	38
Fig. 3.6	Allotment and Lifting of Kerosene by FPS Dealers	38
Fig. 4.1	Distribution of Sample Households	42
Fig. 4.2	Income-wise Distribution of Sample Households	52
Fig. 4.3a	Average Consumption of Rice and Wheat of Sample Households	60
Fig. 4.3b	Average Consumption of Sugar and Kerosene of Sample Households	61
Fig. 4.3c	Average Rate of Rice	62
Fig. 4.3d	Average Rate of Wheat	62
Fig. 4.3e	Average Rate of Sugar	62
Fig. 4.3f	Average Rate of Kerosene	62
Fig. 4.4	Required Expenditure (Annual Average) of Households on Essential Commodities at Both Market and FPS Prices	70
Fig. 4.5	Response of the Households about Withdrawing Sugar form PDS	88
Fig. 4.6	Response of the Households if their Requirement for Rice and Wheat are Supplied through PDS	92
Fig. 4.7	Verification of Ration Cards of Households by Supply Department	100
Fig. 4.8	Perception of the Households about the Role of Panchayats in PDS	102
Fig. 4.9	Problems of FPS Dealers about Quality of Items Allotted by Supply Department	109
Fig. 4.10	Problems of FPS Dealers Regarding Withdrawal of the Quota and Transportation	110

Executive Summary

The public distribution system as a social safety net can be understood by the fact that aggregate availability of foodgrains per se is not enough to ensure the ability to acquire foodgrains. Production does not automatically guarantee consumption. The mere presence of food in the economy, or in the market, does not entitle a person to consume it. Even the ability to buy may not guarantee food security, unless there is an efficient distribution system. The public distribution system has remained a major instrument to execute the Government of India's economic policy to protect the income-poor. The objectives of the Government of India's Food Security Policy are (i) ensuring adequacy or sufficiency in supply of foodgrains, and (ii) distributing foodgrains at an affordable price. In a broad sense, the purpose of social security is to abolish want by guaranteeing every citizen an adequate income at all times to meet his needs. The aim of social security is to guarantee for each person a minimum level of living through a number of means. Our study concentrates on public distribution system seen as a social safety net.

I Targeted Public Distribution System: Introduction

Following the recommendations of the Chief Ministers' Conference held in July 1996, the Targeted Public Distribution System (TPDS) was launched in June 1997. The latent problem was that a sizeable number of marginalised people, in the absence of cash income that can be transformed into purchasing power are excluded from the planning process because they do not constitute effective demand. Thus, the TPDS came to replace the erstwhile PDS from June 1997. This system divides the potential beneficiaries into families Below Poverty Line (BPL) and those Above Poverty Line (APL). The state governments were assigned the task to streamline the PDS by issuing special cards to BPL families and selling essential items under TPDS to them at specially subsidized prices, with better monitoring of the delivery system.

II Objectives of the Study

We are going to study the extent to which PDS has succeeded or failed in providing essential commodities to the population living below the poverty line (BPL) during the survey period. The survey period will be one month before the date of inquiry. The specific objectives of the study will be to examine

- (i) If the PDS has failed or succeeded, and to what extent, to ensure the interests of the poor in terms of their steady access to essential commodities from the FPS,
- (ii) The likely impact of restricting the coverage of PDS to only the population below the poverty line,
- (iii) The likely impact of restricting the coverage of PDS to only rice and wheat,
- (iv) The impact of withdrawing sugar from the purview of PDS,
- (v) If the existing distributive set up is efficient to run the PDS.

III Methodology

To study the public distribution system (PDS) in Uttar Pradesh (U.P.) we have chosen the Allahabad district purposively, it being one of the developed districts in Eastern U. P. Eastern U. P. is generally seen as the relatively underdeveloped region in U. P.

The district of Allahabad has twenty development blocks, out of which we have selected for our study a total of four, that is, 20.0 per cent of the blocks. These four blocks have been selected from four administrative regions of the district, thereby taking care of the dispersal of the distribution facilities being administered by the state supply office (**Map 1, p. vi**). The blocks have been selected by stratified purposive sampling method, the chosen blocks thus covering industrial developed, hilly developed and underdeveloped areas of the district.

The district of Allahabad has a total of 2978 Revenue Villages, of which we have selected only 24, that is, 0.9 per cent of the total. The district has 11 towns, of which we have selected two, for proper representation of urban areas in the study. Though the percentage of towns selected is 18.2, by selection of two Wards from each of the towns, the urban area being covered has been reduced. We have selected more of the median villages. This has been done by arrangement of villages by size of population.

In each village, we have selected 50 households by simple random sampling method, where in each village more than 50.0 per cent of the BPL (Below Poverty Line by card holding) families have been selected. In 24 villages thus we have covered 1200 households. Out of the two towns selected, we selected two Wards, and a total of 50 households taken for study in each Ward. Thus, 200 households as beneficiaries in the PDS have been selected from the urban area of the district. We have thus covered 1400 households as beneficiaries covering both rural and urban areas in Allahabad district, of which around 60.0 percent of the households come from the BPL category.

In addition, we have studied in each village and town one FPS. In our original proposal, we offered to study 20 FPSs. While in field we felt compelled to study one FPS in each of the villages and Wards in towns. Thus, we covered 28 FPSs for required information on the PDS in the district (**Box 1, p. 22, Table 3.2, p. 26, Table 4.1, p. 38, Table 4.2, p. 39**).

IV Sample Design

In Allahabad district, there are 6 tehsils, all of which have been covered in the study. Out of 20 Blocks, the study has covered 4, that is, 20 per cent. The study has covered 24 inhabited revenue villages, which is 0.9 per cent of total revenue villages in the district, and also 2 towns that is 18.2 per cent of all the towns in the district. All the 24 villages have gram panchayats, the 24 gram panchayats thus covered constitute 1.7 per cent of all gram panchayats in the district. The 4 wards selected and studied constitute 15.4 per cent of all the 26 wards in two towns in the district (**Table 3.1, p. 25**).

As we told earlier, the villages have been selected by size of population, taken in three categories I, II and III, category I representing population size between 500 and 999, category II representing population size between 1000 and 1999, and category III

representing population size between 2000 to 4999. The sample (selected villages in number) represent 0.9 per cent of total villages in the district. But the same sample villages represent 4.1 per cent in number when considered with respect to the total number of villages in the respective population categories. The sample villages in categories I, II and III represent 21.10 per cent of all villages in the district in the said categories. Thus, selection of Blocks out of total number of villages in categories I, II and III bear a correspondence in terms of representation by number of Blocks and Villages selected.

We have purposively selected 12 villages from category II, 6 villages each from category I and category III. In the whole district, such selection would mean 1.8 per cent of the villages in category II out of total villages in category II understood as 100.0 per cent, while 0.7 per cent for category I out of total villages in category I understood as cent per cent, and 1.9 per cent for category III out of total villages in category III understood as cent per cent. The sample proportions for categories I, II and III represent exactly the similar picture. If number of villages in category II in the sample is taken as cent per cent, then the 12 villages selected in this category represent 9.3 per cent. If number of villages in category I is taken as cent per cent, then the 6 villages selected in this category represent 3.2 per cent, while in category III, this percentage is 9.4 (**Table 3.2, p. 26**). The selection of median villages by size of population as sample villages thus confirms the representative character of the villages in the district of Allahabad.

V Major Observations

The major observations that we have recorded here are based on the facts that we collected in the field for the study on public distribution system in the District of Allahabad.

Distribution of Items

- (i) In almost all the villages, rice and wheat were not made available to the families owning ration cards. Even when these items arrived, a single day was fixed for distribution so that the income-poor (BPL) families were deprived. The simple reason is, apart from lack of timely information, the BPL families lack the power and time to collect money to buy the items on the day abruptly announced for sale through the FPS (**Table 4.41, p. 94, Table 4.42, p. 95**).
- (ii) We found false/wrong entries in the cards for most of the BPL families, entries implying that all these families got all the items at scheduled rates (quantity and price).
- (iii) No cash memo was ever issued by any of the FPS owners.
- (iv) Even when the items were made available and the supply position was announced by the FPS Dealer, the prices per unit of items were not displayed (**Table 4.31, p. 82**).
- (v) One consequence of (iv) was that the benefits of price-differential (sale price -- scheduled PDS price) went in favour of the FPS Dealer (**Table 4.31, p. 82**).
- (vi) Sugar was usually irregular in supply (**Table 4.26, p. 74**).
- (vii) Kerosene per head was distributed much less than what was allotted and that too at prices higher than the scheduled PDS rate (**Table 4.27, p. 75**).

(viii) The section in higher socio-economic category derived almost all the benefits from irregular supply of items from the FPSs.

(ix) We found some villages where socially upper caste people continue to (mis)use the PDS by availing items much more than what is fixed per card (**Table 4.52, p. 106**).

Gap between Allotment and Lifting of Items

While allotment and lifting of rice and wheat are specific to economic categories, BPL and APL, by cardholding, those of sugar and kerosene are general, that is, across categories. Lifting and Allotment of rice and wheat for BPL households revealed consistency at the level of the district, while those are totally inconsistent in case of APL households. This is explained by abruptly higher allocation of rice and wheat for APL households. We found consistency in lifting and allotment of sugar and kerosene for households across categories, that is, both BPL and APL (**Table 3.13, p. 36a, Table 3.14, p. 36a, Table 3.15, p. 36b, Table 3.16, p. 36b**).

Gap between Requirement and Distribution of Items

The gap between requirement of households for items and distribution of items per period by FPSs showed that the PDS at the level of the District of Allahabad failed miserably in supplying essential commodities to the population across board, both BPL and APL, excepting kerosene (**Table 4.19, p. 64**). The implicit assumption is that the PDS in existence has the aim to fulfil most of the requirements of the target groups for essential commodities distributed through the FPSs.

Price Gap in Items between FPSs and Open Market

We found no unidirectional positive price-differential between FPS price and open market price for items distributed through the PDS in the blocks of the District of Allahabad (**Table 4.20 p. 67**).

Confinement of PDS to Rice and Wheat only

We found the focus in the responses of the households in general against confinement of PDS to rice and wheat only (**Table 4.36, p. 89**).

Withdrawal of Sugar from the PDS

We found no uniform response in adverse effect with respect to withdrawal of sugar from the PDS. Nor did we find any major variation in distribution of households by BPL and APL categories in terms of revealing adverse effect consequent upon the withdrawal of sugar from the PDS (**Table 4.34, p. 87**).

Distribution of Ration Cards

What we observed regarding distribution of cards are the following:

- (i) Many income-poor (BPL) families have remained cardless.
- (ii) Many BPL families have yellow cards, which are meant for non-poor.
- (iii) Many non-poor families have white cards, which are meant for the poor. The above may imply non-distribution of cards and wrong distribution of cards.

Verification of Ration Cards

The verification of ration cards has been done half-heartedly by the concerned State Department. This is in the sense that only the identity of the cardholder has been checked once for all with no action taken as a follow-up measure like cancellation of false/misplaced cards, issuing new cards to the card-less, and steps taken regarding expansion in units (Table 4.45, p. 97).

VI Recommendations based on the Study

Based on the facts that we collected for the District of Allahabad regarding the functioning of the Public Distribution System, and based on the observations that we gathered in our conversations with the beneficiaries, we offer our recommendations for improving the PDS in India. We recommend the continuation of the Targeted Public Distribution System (TPDS) for the District of Allahabad, in keeping with the major policy perspective announced in 1997 by the Government of India when it was launched.

Recommendations at a Glance

- ◆ Ensure regular distribution of rice, wheat, and kerosene by exact quantity allotted at right price. Ensure withdrawal of rice and wheat by the FPS Dealers for distribution among the households without any time lag.
- ◆ Ensure enhanced allotment of rice, wheat, and kerosene per household per period so as to converge to the consumption requirements of the households per period for these items.
- ◆ Delete price-differential for rice and wheat over BPL and APL categories and ensure quantity-differential by allotting more of these items per household per period in favour of the BPL category.
- ◆ Ensure reduced price of kerosene per liter for all households, BPL and APL, even if it costs more to the public exchequer.
- ◆ Ensure provision of purchase of rice, wheat, and kerosene by installments for that section of BPL households who can not have disposable money as and when required to buy these items. Adopt a strategy of 'Due Slip' to be issued by the FPS Dealers to the targeted sections as such within the BPL category of households.
- ◆ Ensure allotment and distribution of sugar for BPL households at the prevailing price. Withdraw allotment of sugar for APL households. Announce 'special' distribution of sugar during Festivals for both BPL and APL households.
- ◆ Raise the rate of commission on distribution of each of rice, wheat, sugar, and kerosene per unit for the FPS Dealers with immediate effect.
- ◆ Ensure release of quota to be withdrawn by the FPS Dealer in a particular period (month) after subtracting 'undistributed items' of the preceding period (month). Set up a fact-finding Committee, as and when necessary, to find out the reasons behind repetition of undistributed items accumulated over periods.

- ◆ Initiate time-bound inquiry for repetitive non-withdrawal of items by an FPS Dealer instead of automatic cancellation of licence/quota of the Dealer.
- ◆ Ensure compulsory maintenance of records for each of sale, stocks, and Ration Card Master Register by the FPS Dealers.
- ◆ Ensure allotment of new FPS Dealership to local educated unemployed youth preferably from the socio-economically-disadvantaged sections in the locality.
- ◆ Stop criminal/illegal interference in the PDS network at the local level.
- ◆ Ensure verification of Ration Cards at the local level, including issuing new cards, canceling false cards etc.
- ◆ Ensure budget provision at Nigam/Regional Supply Office for allotment of quota to the FPS Dealers, rather than asking the Dealers to pay money in advance.
- ◆ Ensure public display of quantity of items distributed by the FPS Dealers per period, and quantity of items remaining undistributed. The State Supply Department is being requested to provide necessary calendar to the FPS Dealers for the said purpose.
- ◆ Ensure reduced number of FPSs for vigilance by a single supply Inspector. The State Supply Department is expected to collect information from the 'Vigilance Committee' voluntarily formed by the consumers (households) at the village level regarding the functioning of the PDS at the local level.
- ◆ In addition to strong vigilance by the Panchayats and Supply Inspectors over visibility of Correct Price Chart in the FPS, ensure 'secret and sudden' vigilance by RFO to check items in FPSs by quantity and quality and undistributed stocks. The vigilance by the RFO has to cover households also, both BPL and APL, at random in the concerned village.
- ◆ Ensure active and positive role of Panchayats in an interactive manner with the State Supply Department/BDO etc regarding preparation of correct schedule of cardholders, by BPL and APL, and hence make it transparent. Ensure training for Panchayat members for convergence to perfect functioning of the system. Ensure active and positive role of Panchayats for development of awareness of households regarding the 'right to food at fair price'. This requires an interactive frame among Panchayats, NGOs, Supply Department, and Media.
- ◆ Form an autonomous State Vigilance Committee to work as a complementary unit with the existing administrative network meant for the PDS.

Public Distribution System in India: The Strengths and the Weaknesses

'There is no true food security, no matter how much is produced, if the food producing resources are controlled by a small minority and used only to profit them. In such a system the greater profit will always be found in catering to those who can pay the most -- not the hungry'. (Frances Moore Lappe and Joseph Collins, 1977, 'Food First, The Myth of Scarcity', Souvenir Press (E&A) Ltd., London, p. 119).

1.1 Introduction

Post-independence Indian agriculture followed the Bengal Famine of 1943 and food scarcity during the Second World War (1939-45). By 1944, an official government report conservatively estimated that one and a half million lives had been lost by the 1943 famine. The consequence had a deep root. 'In 1943, Churchill ordered the Indians and the thousands of British military in India to live off their own stocks when Japanese conquest of Burma had cut off a main outside source of rice for Bengal and all of India. But, despite all this, the colonial government allowed rice to flow out of Bengal' (Lappe and Collins, 1977, p. 69). Public intervention in Indian agriculture was in fact connected with food scarcity. By 1947, about 54 million people in urban India were covered by statutory rationing and an additional 19 million by other forms of public distribution (Dantwala, 1993, p. 182). During post-independence period, agriculture came to depend first on extension of net sown area and irrigation coverage at least up to the emergence of Green Revolution. Technology came to determine the fate of Indian agriculture after mid-1960s and up to the 1980s. Concentrated in a 'few high potential region' the high-technology-led new agricultural strategy paid off (Dantwala, 1993, p. 173). Before the mid-1960s, the food security system in India was in an embryonic stage. Government policies and measures then aimed at solving localized scarcity in the face of crop failure, famine, drought etc. 'Until the mid-sixties access to concessional imports of foodgrains (mainly wheat) was available under US Public Law 480. Further, the domestic price of wheat was considerably higher than the landed cost of imports. It is not surprising that the government as the sole legal importer of foodgrains, used imports as a major source of supply for the public distribution system. Indeed, until the late sixties, imports constituted over 60.0 per cent of the grains distributed during thirteen of the seventeen years, 1951 to 1967 (Narayana, Parikh, and Srinivasan, 1991, p. 151). The situation changed radically with the phenomenal growth in wheat output associated with Green Revolution.

1.2.1 Public Distribution System: The Rationale

The public distribution system as a social safety net can be appreciated by the fact that aggregate availability of foodgrains per se is not enough to ensure the ability to acquire

foodgrains. Production does not automatically guarantee consumption. The mere presence of food in the economy, or in the market, does not entitle a person to consume it (Dreze and Sen, 1989, p. 9). Even the ability to buy may not guarantee food security, unless there is an efficient distribution system (Suryanarayana, 2000, p. 80). Colonial history of India also confirms that 'the major famines and scarcities occurred during a period when India was a food surplus country and was in fact exporting large quantities of foodgrains'. At the national level at least, famines in British India 'were not precipitated by absolute shortages of food caused by uncontrollable vagaries of nature' (Ghose, 1999, p. 359). Historically, we find no one-to-one correspondence between per capita supply of food and deprivation of a section of population in terms of food consumption.

At the all-India level, between 1972-73 and 1993-94, according to National Sample Survey data, per capita consumption of cereals declined from 15.3 to 13.4 Kg. per month over the two decades. During these two decades ending 1993-94, there occurred a steady decline in the food share from about 73.0 per cent to 55.0 per cent at the all-India level. This decrease occurred in all regions. As informed by the NSSO, food shares declined for all income groups, including the first (poorest) quartile (Meenakshi, 2000, p. 34-35). This is in spite of the fact that the poor continue to spend most of their budget on food and much higher than the percentage spent by the non-poor on food. This seems to confirm Engel's Law, which says that economic development is accompanied by declining food shares. We think, the converse is not necessarily true, namely that declined and declining food share implies economic development. Even if it implies economic development then the social base of that development is weak so that it becomes unsustainable. The flexibility in the consumption habit of the vulnerable sections of the society may conceal the real reasons of reductions in food consumption, sometimes occasionally. For example, 'the reduction of food consumption may be an early response to the threat of entitlement failure, apparently motivated, at least partly, by the preservation of productive assets' (Dreze and Sen, 1989, p. 77). The decline in per capita consumption of food per period may, however, be attributable to changed inner composition of food. Bennett's Law argues that consumers gradually switch to a more expensive diet, substituting quality for quantity. This is confirmed in the Indian context as revealed by the NSSO data. During the period, 1972-73 to 1993-94, the decline in per capita consumption of cereals is wholly attributable to a decline in coarse cereal consumption, down from 4.8 to 2 Kg. per capita per month. An increase in wheat consumption from 3.9 Kg. to 4.4 Kg. per capita per month was not enough to compensate for the decline in total cereal consumption. The consumption of rice remained virtually unchanged during this period (Meenakshi, 2000, p. 35). Following NSSO data, the substitution away from coarse cereals into rice was prominent in the lower income groups, and the non-poor sections experienced almost no change in the consumption of rice and wheat. The reason is likely to be that the non-poor section already has enough quantities of high quality cereals to the extent of their satiety. The fact remains that before the income-poor population shift from cereals to non-

cereals, they shift from less expensive cereals to more expensive cereals. In the Indian context, this implies a switch away from the coarse cereals to either wheat or rice, or both.

The Public Distribution System (PDS) has remained a major instrument to execute the Government of India's economic policy to protect the poor. Public intervention in the foodgrains market 'aim at procurement of foodgrains for public distribution and maintenance of buffer stocks to give not only short-term but also long-term stability of prices of essential commodities and safeguard the interest of the consumers. Procurement of foodgrains also ensures remunerative returns to the farmers and provide them with incentives to invest more on agriculture to raise its productivity and to ensure that in the event of any glut or due to any other reason, the market prices do not fall below the support prices' (GOI, 1991-92, p. 55).

The purpose of the GOI since the early 1970s when it started following the policy of Minimum Support Prices (MSP) was 'to ensure that farmers get remunerative prices for their produce and there is no distress sale particularly during the harvesting season' (GOI, 1998-99, p.73). As declared by the government, 'procurement prices are based on support prices announced by the government... The procurement operations of wheat, paddy and coarse grains are totally voluntary. The producers have the option to sell their produce to FCI/State agencies at support prices or in the open market whichever is advantageous to them' (GOI, 1998-99, p. 70). The PDS aims at ensuring stability in the foodgrains market when open market prices of foodgrains fluctuate less because of steady availability in the hands of the government. This removes scarcity psychosis and checks speculative tendencies. The disadvantaged and vulnerable sections of the society are the targets of this PDS. The government also pledges to pay attention to distress areas like drought prone areas, desert areas, tribal areas, urban slum areas and selected hilly areas. From June 1992 a special scheme to strengthen the PDS was introduced by inclusion of additional items like tea, soap, iodized salt and pulses to serve the tribal and hilly population in the backward and remote areas (GOI, 1994-95, p. 78). The reasons of this special scheme seem to be both poor infrastructure and income-poverty. The Integrated Tribal Development Project (ITDP) is an example of the concern of the GOI to provide foodgrains (wheat and rice) at special subsidized rates (below PDS rates) for tribal people (GOI, 1991-92, p. 54). On June 1, 1997, the GOI introduced a revised scheme of distribution known as Targeted Public Distribution System (TPDS). This shows a deviation from the earlier ones in the sense that from now on the distribution of foodgrains would be operated under two-tier system of delivery to households, those Below Poverty Line (BPL) and those Above Poverty Line (APL). The BPL families are planned to receive foodgrains at heavily subsidized prices (GOI, 1998-99, p. 69). To execute PDS and TPDS the government has to procure or purchase foodgrains at the prices declared by the government. The government believes that procurement of foodgrains 'serves the objective of providing price security to the farmers, which induces them to sustain production levels. This is in addition to PDS working as 'an instrument to protect the vulnerable sections against price volatility' (GOI, 1998-99, p. 70).

1.2.2 Prices, Poverty, and Public Distribution System

The level of food prices is one of the crucial variables mediating the relationship between aggregate food availability and individual entitlements. Generally, the successful containment of increases in food prices help in protecting the entitlements of vulnerable groups (Dreze and Sen, 1989, p. 88). In India, generally the population in the affected areas feels the impact of natural disasters almost entirely. If there occurs an increase in price following deficits in output and supply of essential commodities, it is the landless labourers, the marginal farmers, the unemployed and the underemployed, the urban slum dwellers who will bear the brunt of it. At the extreme, 'famines are always a divisive phenomena. The victims typically come from the bottom layers of society... there does not seem to have been a famine in which victims came from all classes of the society (Dreze and Sen, 1989, p. 48). The social objective of sharing the regional deficit in food output on a national basis remains absent. The PDS aims at protecting the vulnerable sections of the society by encompassing them in the distribution network. One of the objectives of PDS, namely to ensure price stabilization of foodgrains is executed through buffer stock operations as an instrument. It is a fact that in an underdeveloped agricultural production system agricultural production varies not only between one year and another but also within a year. This may lead to income destabilization if prices are rigidly fixed. For example, in case of a fall in agricultural output, a fall in income is not compensated if the prices of agricultural products are not allowed to rise. Price changes thus are expected to provide a compensatory effect to changes in output (Khusro, 1973, p. 13). This output variation is not only inter-temporal but also spatial. In terms of production, seasonal and annual, some of the states in India may show surplus, while some other states may show deficit. This surplus or deficit is to be understood in terms of consumption requirements per period vis-a-vis production. Surplus states will have a tendency to exhibit lower prices relative to the deficit states. If surplus foodgrains is transferred from the surplus states to the deficit states, prices will have a tendency to equalize. Public intervention in the foodgrains market thus attempts to ensure dynamic equilibrium in the foodgrains market (Khusro, 1973, p.9). A direct link between food prices and income-poverty becomes an important issue sometimes. It is argued that high foodgrains prices may accentuate poverty. A situation of high foodgrain prices may have contrasting implications on different groups of population. In the Indian context, however, the problem is less acute because of continuous monitoring in prices of foodgrains by government. In addition, the positive aspect of the scenario in the Indian context is that 'producer and consumer price interventions by government are determined somewhat independently'. This relieves the dilemma of foodgrain prices affecting different sections of population differently. These dual interventions, however, occur at a high cost to the public exchequer. That is the question of subsidy, dealt later in this study.

1.3 Arguments against Government Intervention in the Foodgrains Market

The arguments against government intervention in agriculture seem to be synonymous with liberalization of agriculture. The disapproval of government intervention in agricultural markets 'is part of a larger critique of development strategies that promoted domestic industrialization behind trade barriers, which were financed through the taxation of agriculture via pricing policies that depressed food and agricultural commodity prices so that wages could be kept low... Not surprisingly, the major policy implication is that, to foster sustained growth of agricultural productivity, output and exports, the terms of trade should improve for farmers through a reduction in the discrimination against agriculture. The major way of getting the prices right for agriculture is by means of a thorough liberalization of the foreign trade regime, reducing the tariff and quota protection of industry, eliminating the real exchange rate misalignment and removing the anti-export bias in agriculture' (Storm, 1997, p. 68). We concentrate on the arguments restricted to government intervention in Indian agriculture through procurement and distribution. It is a fact that the government does not directly control agricultural production, other than creating storage facilities to take care of bumper production and hence holding stocks, or offering support price in the post-harvest period when price has a tendency to fall below unit cost level. The addition to stocks by the government in case of bumper production is also a measure against abrupt fall in price. These exceptions show that the government is the ultimate protector of home producers, quantitatively through checking downward flexibility in foodgrains prices. The questions come when the government intervention restricts the freedom of the producers-cum-sellers through imposition of restrictions on movement of goods and marketing. Such restrictions keep the benefits of the products localized, and price of the final product faces a downward flexibility. Such 'restrictions are usually defended on the ground that they are not aimed at producers but at unscrupulous traders' (Ahluwalia, 1996, p. 421). One example is the Essential Commodities Act of 1955 that restricts stocks held by traders, the other is the Maharashtra Cotton Monopoly Procurement Scheme that ensures institutional arrangement for government procurement of cotton.

The Government of India (GOI) adopted in 1991 the New Economic Policy (NEP), a major component of which is liberalization of initiatives and enterprises in production-investment-trade. It pledges for reducing role of the government in the context of opening the economy in favour of a competitive regime. The NEP aims at 'domestic price reforms that free agriculture from internal controls and raise prices of agricultural output (that) are expected to have positive impact on agricultural growth' (Bhalla, 1995, p.8). It is known that since 1990s 'there are no quotas of procurement in surplus states for delivery to the central pool. The strictly centrally imposed zonal restrictions on inter-state movement of commodities no longer exist' (Dantwala, 1993, p. 176). One argument against the public intervention in the foodgrains market is that the groups whose interests are served include mainly the non-poor. This includes richer farmers from 'green revolution' areas, government and public

bureaucracy, urban consumers and foodgrain traders and millers (Rao, 1996, p.138). At the all-India level, the dependence of the people identified as poor on the public distribution system in rural areas on the commodities rice, wheat, edible oils, coal, common clothes is less than 16.0 per cent (Dantwala, 1993, p.183). Hence, subsidized sale of foodgrains through Fair Price Shops (FPSs) or public distribution system benefits mainly the already benefited socio-economic categories.

It is argued that the supplies through PDS 'have contained the vigour of inflation but part of their impact has been offset by monetization of budgetary deficit to meet food subsidies. Maintaining supplies to PDS involves continuation of food procurement, grant of subsidies and reintroduction and perpetuation of some controls. But several weaknesses have emerged in the distribution system, which have diluted the essence of the system to benefit the vulnerable sections. The financial liabilities of the state governments in maintaining this system have increased. Leakage and black marketing in PDS items have also reduced the full impact of PDS in containing inflation' (GOI, 1992-93, p. 92). The policy of the government to keep both input and output prices low leads to subsidized provision of inputs like water, electricity, and fertilizer, and subsidy to consumers. It is argued that most of this subsidy is realized by the final consumers of foodgrains. The distribution of procured foodgrains through the PDS involves a consumer subsidy to make good the losses incurred by the Food Corporation of India (FCI) (Rao, 1996, p. 138). The PDS thus is argued to be too expensive. The budgeted estimate of food subsidy for 1995-96 was Rs. 5250 crore, which was more than the total estimated budget deficit of the Centre in the same year. The fixed cost component, in particular the operational cost of the FCI, is considered too high (Mooij, 1999, p. 241). The huge subsidy explains a part of the fiscal deficit of the government or surrendering the scope to save income earned elsewhere. It is also argued that were the farmers be given international prices for their inputs, farm income would go up (Parikh, 1999, p. 5). It is being argued now that meeting demand for food in a national economy should be seen as being realized by food production and supply on a world scale.

There is now a realization that the PDS as it has now evolved may actually be serving only a limited proportion of the poor and that there are large variations in the coverage between the states. Thus, the target setting and subsidy question should receive attention for solution. In view of the GOI, two major aspects of PDS that need a national consensus are (i) the norms of excluding the non-poor and (ii) limiting the open-ended subsidy because of FCI operations (GOI, 1993-94, p. 66). The study on the Public Distribution System pursued by us at the level of Allahabad district of Uttar Pradesh aims at unfolding these questions, among others, in a frame of analysis that we built.

Public Distribution System in India: The Evolution

'Agricultural exports from a country where many go hungry is largely a reflection of the problem, not the problem itself. Even if all agricultural exports stopped, there still would be hungry people -- those who continue to be excluded from genuine control over their country's food-producing resources'. (Frances Moore Lappe and Joseph Collins, 1977, Food First, the Myth of Scarcity, Souvenir Press (E&A) Ltd., London).

2.1 Introduction

The objective of the Government of India's Food Security Policy is to ensure availability of foodgrains to the public at an affordable price. The objectives are thus (i) ensuring adequacy or sufficiency in supply of foodgrains, and (ii) distributing foodgrains at an affordable price. The Public Distribution System, which has existed in the country since the Second World War, attempts to meet these twin objectives (GOI, 1995-96, p. 88). In view of the GOI, 'the PDS aims at insulating the consumer from the impact of rising prices of these commodities and maintaining the minimum nutritional status of our population. The PDS supplies have a stabilizing effect on open market prices by increasing availability, removing scarcity psychosis and deterring speculative tendencies' (GOI, 1991-92, Part II, p. 53).

2.2 The History behind the Introduction of PDS in India

The history behind introduction of the PDS in India is rooted in famines and food scarcities during the entire period of British colonial rule in India. The first one was the Bengal famine of 1770. An estimated ten million people died in this famine that was essentially the consequence of plunder by the colonists of the East India Company. Between 1860 and 1910, there occurred twenty major famines and scarcities. The last famine in British India was the Bengal famine of 1943 (Ghose, 1999, p. 355). Post-independence Indian agriculture followed the Bengal Famine of 1943 and food scarcity during the Second World War. Public intervention in Indian agriculture was in fact connected with food scarcity. By 1947, about 54 million people in urban areas were covered by statutory rationing and another 19 million by other forms of public distribution (Dantwala, 1993, p. 182). The measures that the GOI adopts for intervention in the foodgrains market are through procurement, buffer stocks, public distribution, imports, restrictions on internal movements of foodgrains, controls on exports etc (Sharma, 1992, p. 343). All these measures are not necessarily applied simultaneously.

The first Foodgrains Policy Committee, 1943, recommended only informal rationing in rural areas. By implication, free or open market in foodgrains was permitted in the rural areas, that is, the producing areas (Dandekar, 1994, p. 209). Since 1947, the government was expected to do away with controls on production, distribution, and prices of foodgrains. The

Foodgrains Policy Committee, 1947, suggested progressive decontrol in the foodgrains sector following which a policy of gradual decontrol was announced by the government in November 1947 (GOI, 1976, Part I, p.145). 'However, the expectation that decontrol would lead to dishoarding of stocks, increase in procurement and stability in prices did not materialize and prices began rising fast... A reversion to controls was, therefore, decided upon in September, 1948... With the returns of controls, procurement of adequate stocks for public distribution assumed crucial importance' (GOI, 1976, Part I, p. 145). By August 1949 the GOI started receiving complaints on quality of foodgrains distributed and appointed the Foodgrains Investigation Committee that submitted its report on 30 April 1950 confirming the complaints (Dandekar, 1994, p. 212). In view of the persisting gap between the commitments of public distribution and the procurement, a Foodgrains Procurement Committee was appointed on 8 February 1950, in pursuance of the recommendations of the All India Food Ministers' Conference held in Aug. 1949. The Foodgrains Procurement Committee of 1950 recommended 'monopoly procurement of foodgrains, abolition of the free market, imposition of complete statutory rationing in towns with a population of 50,000 and above and informal rationing elsewhere' (GOI, 1976, Part I, p. 145). Since it was admitted by the GOI that any scheme of decontrol would involve risks, hence on 8 July 1952, the Government issued the Foodgrains (Licensing and Procurement) Order, 1952. This Order prohibited any individual from engaging in any business which involved purchase, sale or storage for sale of any foodgrains except under and in accordance with a licence issued by the state governments (Dandekar, 1994, p. 216). The Essential Commodities Act of 1955 entrusted the government with taking steps for regulation of 'production, supply, distribution and trade in essential commodities for securing equitable distribution' (GOI, 1976, Part I, p. 167). Following the recommendations of the Foodgrains Prices Committee set up in 1964 there came an Agricultural Price Commission in January 1965. The important point is that the floor or support prices for major foodgrains recommended by the Committee for 1964-65 were 'generally higher than the average post-harvest prices during the preceding three seasons' (GOI, 1976, Part I, p. 167). It is thus not an automatic fact that the public distribution will depress the price against the producers-sellers. The National Commission on Agriculture in fact recognized that 'the minimum support price should be fair to the farmer and should cover his cost of production and leave him a reasonable margin of profit (GOI, 1976, Part II, p. 83).

The Essential Commodities (EC) Act that came into force in 1955 is meant to facilitate government regulation of trade and commerce. The EC, 1955 empowers the public officials in enforcing the public distribution system. The 1955 Act however was not the first one for imposition of controls on trade and distribution. Of course, it was the first one in Independent India. The British Colonial Government under the Defense of India Rules had implemented some control measures. Since 1946 there came legislation in the form of the Essential Supplies (Temporary Powers) Act, which was in fact replaced by the EC Act of 1955 (Mooij, 1999, p. 193). The number of commodities declared essential under the Act has rapidly increased from 10 items in 1955 to 60 in 1992. In August 1992, it was decided to

extend the EC (Special Provisions) Act by another five years. Of late, the Ninth Planning Commission of India is thinking to remove rice and wheat, the two most essential items from the purview of the EC, 1955, Act (The Hindu, Oct. 1, 2000, p. 8).

In India, availability of foodgrains is ensured through a network of Fair Price Shops (FPSs) licensed by the State/UT administrations where each such shop is envisaged to serve a population of 2000. From over 4 lakhs in March 1992, the number of FPSs rose to over 4.33 lakhs as on 31 March, 1995. Most of these FPSs are in rural areas. In 1995, the rural areas had the number of FPSs three times that in the urban areas.

The procurement of foodgrains for distribution through PDS is maintained through domestic procurement rather than through imports. Under this system, the price at which government procures foodgrains determines the price at which consumers receive foodgrains through the PDS. From the beginning, the GOI has made it clear that remunerative prices are to be a central feature of its policy towards agriculture. The concept of state trading was revived in January 1965 when, by an Act of Parliament, the GOI set up the Food Corporation of India. For procurement and price setting respectively there came the Food Corporation of India (FCI) and the Agricultural Prices Commission (now Commission for Agricultural Costs and Prices) in 1965. The post-1965 period thus brought about institutionalized arrangements and procedure for procurement, stocks, pricing, and distribution of foodgrains. Let us take a brief perusal of the on-going and changing mode of operation in the domain of public distribution system.

2.3 Revamped Public Distribution System: Some Features

The Government initiated, in consultation with the State governments and the Union Territory (UT) administrations, steps to revamp the PDS to improve its reach based on an area approach (GOI, 1991-92, Part II, p. 53). Preference was planned to be given in this revamped system to the population living in the most difficult areas of the country. This included areas such as the drought prone areas, desert areas, tribal areas, certain designated hilly areas and the urban slum areas (GOI, 1991-92, Part II, p. 53). A Revamped Public Distribution System (RPDS) was thus launched in June 1992 in 1700 blocks. For the tribal, hill and arid area populations remotely located and having poor infrastructure, additional items like tea, soap, pulses and iodized salt were made available under the RPDS. It was decided by the GOI during mid-1990s that the geographical coverage of RPDS would be extended to the entire 2446 Employment Assurance Scheme (EAS) Blocks (GOI, 1995-96, p. 84). Under the scheme of RPDS, foodgrains (rice and wheat) are allocated to states and union territories for revamped Public Distribution System blocks at lower prices; Rs. 50 per quintal lower than Central issue prices (CIPs) for normal PDS blocks. The State Governments are required to ensure that the retail prices of these commodities in these blocks are not higher than CIPs by more than 25 paise per Kg. Sugar is also distributed at lower prices (GOI, 1992-93, p. 90). The Central Issue Prices (ex-FCI godowns) are fixed by the Central Government for PDS as well as RPDS. The retail end prices for PDS and RPDS are fixed by the State Governments, taking into account the transportation cost and the dealer's commission (GOI, 1995-96, p.87).

The difference between the PDS and the RPDS in terms of retail end prices is that for RPDS, a maximum ceiling of Rs. 25 per quintal has been fixed by Central Government on account of transportation cost etc, which can be built up by State Government in fixing retail prices for RPDS (GOI, 1995-96, p. 87).

The Programme Evaluation Organization of the Planning Commission identified four major weaknesses of the RPDS. These are (i) proliferation of bogus cards, (ii) inadequate storage arrangements, (iii) ineffective functioning of vigilance committee, and (iv) failure to issue ration cards to all eligible households (Dev and Ranade, 1997, p. 67).

2.4 Food Stocks, Allocation, and Off-Take: Purpose and Position

One of the basic features of agriculture is that while production occurs at discrete points of time, consumption is continuous throughout the year. The gap between production as a stock in agriculture and consumption as a flow in agricultural commodities in agriculture is bridged by storage or carrying forward the output (Balakrishnan and Ramaswami, 2000, p.118). The main plank of Central Government's food security operations lies in building up public stocks of foodgrains and its release each month for distribution to the State Governments for supply through the PDS (GOI, 1994-95, p. 78). Conceptually, foodgrains stocks can be regarded as divisible into three -- pipeline stocks, buffer stocks, and reserve stocks. Pipeline stock is interpreted to be the stocks from current production destined for current consumption. These are also thought to be operational stocks. Buffer stocks are seen to be counter-speculative. Reserve stocks are held to bridge the gap between normal consumption and low production of a bad contingency year (Khusro, 1973, p. 4). With the lesser frequency of bad contingency years after technological transformation in agriculture of post-1965 period, we find no reason why reserve stocks should be seen as an additional category in public stocks of foodgrains. With respect to the same transformation, if the inter-regional price equilibrium is maintained or readily restored by price intervention in the foodgrains market, there will be lesser need for operational or pipeline stocks. We thus concentrate on buffer stocks.

Food security takes public procurement of foodgrains as the first precondition. It at first provides the producers the price security and scope for sale on a voluntary basis by the producers. There is thus no fixed procurement over years. Procurement prices of foodgrains are based on support prices announced by the Department of Agriculture and Co-operation. The chances of distress sale are thus reduced. Minimum support prices are the prices at which the government is willing to buy any amount offered to ensure that the open market price does not fall to unremunerative levels in years of surplus. Procurement prices are the prices at which the government secures a limited quantity for the distribution system. Both procurement and support prices are policy-determined. The Government's procurement operations as an instrument of agricultural price policy is intended to provide a benchmark remunerative return to the farmer, and prevent a sharp fall in prices at harvest time. In other words, procurement prices serve as a protective shield against price uncertainty, which, in turn, provides a sustained incentive for the farmer to improve productivity and rationally

reallocate resources between various crops. Minimum Support Prices (MSPs) thus ensure stability of market supply (GOI, 1994-95, p. 80-81). Food stocks are maintained by the Central Government (i) to meet the prescribed Minimum Buffer Stock norms for food security, (ii) for monthly releases of foodgrains for supply through the PDS and (iii) for market intervention to augment supply so as to help moderate the open market prices (GOI, 1996-97, p.78; GOI, 1997-98, p.73; GOI, 1999-2000, p.81). Stocks are released each month for distribution to the State Governments for supply through the PDS. Each state is allocated a prescribed quantity based on past demand, off-take trends, relative need and other related factors. Stocks are also released for open sale to augment supplies and help moderate the open market prices (GOI, 1995-96, p.85).

'Under PDS the Central Government bears the responsibility for the procurement and supply of five commodities, viz., rice, wheat, sugar, imported edible oils, and kerosene to the States and Union Territories. Some States add a few more commodities for distribution under PDS' (GOI, 1998-99, p. 69). In the early 1990s, the Government was supplying six essential commodities through the PDS, namely, wheat, rice, sugar, edible oils, kerosene, and soft-coke (GOI, 1991-92, Part II, p. 53). These commodities were supplied at reasonable (below market) rates to consumers, the access to the system being universal. Given the occasional variation in commodity coverage, rice and wheat constitute the bedrock of India's food security through the PDS. At any given point of time, a minimum stock of rice and wheat is maintained as a central buffer stock for meeting food security needs. In case there is a shortfall, the stock is replenished through imports. If there is an excess of stocks, they are released for open sale to improve supplies and moderate prices in the open market (GOI, 1994-95, p. 78). Wheat and rice are the two major foodgrains used by the Central Government for market price stabilization and for ensuring food security through the PDS. Rice is mainly procured for the Central Pool from a levy imposed on the rice millers/traders under the Essential Commodities Act, 1955 and the levy orders issued by the State Governments. The foodgrains stock maintained in the Central Pool by the Government is utilized for distribution to states for the PDS. In the years, when public stocks fall below the minimum buffer stock norms or when production shortfalls are anticipated, the Government take recourse to imports for augmenting the buffer stocks. However, depending on the behaviour of the open market prices and the stock position in the Central Pool, the public stock of foodgrains is also utilized for market intervention as an instrument of supply management policy (GOI, 1996-97, p. 81).

The steady availability of foodgrains to the targeted population constitutes food security for them. Among the steps initiated by the Government of India, the setting up of the Food Corporation of India in 1965 was a 'big step forward in the direction of food distribution and maintenance of quality' (GOI, 1976, Part II, p. 154). The FCI is assigned the responsibilities of sale, purchase and distribution of foodgrains, maintain adequate buffer stock and quality of stored materials, installation and modernization of rice and flourmills, manufacture and distribution of processed foods. We are concerned only with public sector

stocks and storage only, which are held by FCI, the Central and State Governments and the State Warehousing Corporations both on an ownership basis and on a rental basis (Khusro, 1973, p. 3).

The average procurement for rice was 5.48 million tonnes during 1981-85. This increased to 6.64 tonnes on average during 1986-90 and further to 10.88 during 1991-95 and 13.11 during 1995-2000. For wheat, the corresponding figures were 8.38, 9.25, 8.30, and 11.31. For rice and wheat together, the average procurement per year increased from 13.86 during 1981-85 to 15.89 during 1986-90 and further to 16.36 during 1991-95 (**Table 2.1**). For all-India, the allocation of wheat oscillated around 10 million tonnes during 1991-2000, while during the same period the allocation of rice varied between 10 and 15 million tonnes. Off-take of wheat as a percentage of allocation came to be below 50.0 per cent during 1994-95 and 1995-96 and again in 1999-2000. For the remaining years of the 1990s, this ratio per year was around three-fourth. For rice also off-take as a ratio of allocation declined during 1994-95 and 1995-96 to around three-fifth and for 1999-2000 to around half. For the rest of the 1990s the ratio was more than three-fourth (**Table 2.2**).

Table 2.1
Procurement of Wheat and Rice, 1980 - 2001
(Central Pool Stocks, Total in Million Tonnes)

Year	Rice	Wheat	Total (Rice+Wheat)
1980	8.58	8.15	16.73
1981	6.21	4.91	11.12
1982	5.34	5.01	10.35
1983	4.77	6.99	11.76
1984	4.34	10.45	14.79
1985	6.74	14.54	21.28
Average of 1981-1985	5.48	8.38	13.86
1986	9.06	14.93	23.99
1987	8.50	13.93	22.43
1988	5.91	7.35	13.26
1989	4.09	4.44	8.53
1990	5.65	5.61	11.26
Average of 1986-1990	6.64	9.25	15.89
1991	8.66	9.24	17.90
1992	8.63	5.28	13.91
1993	8.52	3.28	11.80
1994	11.17	10.82	21.99
1995	17.42	12.88	30.12
Average of 1991-1995	10.88	8.30	16.36
1995-96	9.95	12.33	NC
1996-97	12.22	8.16	NC
1997-98	14.33	9.30	NC
1998-99	11.79	12.65	NC
1999-2000	17.27	14.14	NC
Average of 1995-2000	13.11	11.31	NC
2000-2001	11.43*	16.35	NC

Note: NC = Not Calculated (because of different accounting period of wheat and rice). Data for rice stock being Oct. - Sept. and those for wheat stocks, April - March, for 1995-2000.

* As on 11.1.2001.

Source: GOI, Ministry of Agriculture, *Bulletin of Food Statistics (Several Years)*.
GOI, 1999-2000, *Economic Survey*, P. 82.
GOI, 2000-2001, *Economic Survey*, p. 93.

Table 2.2
Allocation and Offtake of Foodgrains in India Under PDS, 1991 - 2001
(Total in Million Tonnes)

Year	Wheat			Rice		
	Allocation	Offtake	Offtake as % of Allocation	Allocation	Offtake	Offtake as % of Allocation
1991-92	10.36	8.83	85.23	11.36	10.17	89.52
1992-93	9.25	7.85	84.86	11.48	9.69	84.40
1993-94	9.56	5.91	61.82	12.41	8.87	71.47
1994-95	10.80	4.83	44.72	13.32	8.03	60.28
1995-96	11.31	5.29	46.77	14.62	9.46	64.70
1996-97	10.72	8.52	79.47	15.16	11.14	73.48
1997-98	10.11	7.08	70.02	12.81	9.90	77.16
1998-99	10.11	7.95	78.63	12.93	10.74	83.06
1999-00	10.37	5.00	48.21	13.84	10.95	79.12
2000-01	7.51	2.72*	36.21	10.96	5.75*	52.46

Note: * April - Dec. 2000.

Source: GOI, 1996-1997, *Economic Survey*, P. 79.
GOI, 1999-2000, *Economic Survey*, p. 81.
GOI, 2000-2001, *Economic Survey*, p. 92.

2.5 Release of Surplus Stocks through Non-FPS Measures

During 1992-93 to 1994-95, the actual off-take of wheat and rice by the States was poor, leading to accumulation of stocks. Consequently, the GOI in August 1994 announced new schemes for utilization of surplus public stocks of foodgrains. This included Supply of Subsidized Foodgrains to SC/ST/OBC Hostels, Mid-Day Meals Schemes, Release of Subsidized Wheat to Modern Food Industries India Ltd. (MFIL), release of surplus foodgrains (wheat and rice) for Employment Generation Scheme, Open Market Sale of Foodgrains by FCI (GOI, 1995-96, p.85-86). The Employment Generation Scheme was meant for manufacture of food products by families falling below poverty line. The Mid-Day Meals Scheme was initially meant for the benefit of the students enrolled in primary schools in 2368 RPDS/EAS Blocks. During 1996-97, this scheme was proposed to be extended to 2006 Low Female Literacy (LFL) blocks. During 1997-98, the scheme was planned to all primary schools in the country (828 blocks and 3,000 Nagar Palikas). 'FCI was authorised to sell wheat and rice in the open market to serve the twin objectives of disposing of some of its surplus stock and to check the rise in their market prices as a part of its market intervention function to moderate supply side effects on inflation' (GOI, 1995-96, p. 86).

2.6 Quality of Items in PDS

Any consumer, independent of his income, has the right to expect food safety in terms of wholesomeness and quality in all the foods he uses. The FCI as the major buyer of foods in bulk has set up its own standards for wholesomeness. FCI has its own laboratories manned by trained personnel to test for quality and maintenance of standard (GOI, 1976, Part II, p 155).

2.7 Targeted Public Distribution System: Features and Rationale

Following the recommendations of the Chief Ministers' Conference held in July 1996, an effort was made to streamline the PDS. Thus, the Targeted Public Distribution System (TPDS) was launched in June 1997. This also coincided with the celebration of completion of fifty years of India's independence. The PDS, as it was being implemented earlier, had been criticized for its urban bias and its failure to serve effectively the poorer sections of the population. The latent problem was that a sizeable number of marginalised people, in the absence of cash income that can be transformed into purchasing power are excluded from the planning process because they do not constitute effective demand. This is true irrespective of the technological (Green) revolution after the mid-sixties in India. Thus, the TPDS came to replace the erstwhile PDS from June 1997. This system divides the potential beneficiaries into families Below Poverty Line (BPL) and those Above Poverty Line (APL). 'Under TPDS the Government is committed to issuing 10 kgs of foodgrains per month per BPL family at a price equal to half of the economic cost of FCI. ... Quantity of foodgrains earmarked to meet BPL requirements is 72 lakh tonnes per annum benefiting an estimated 6 crores population' (GOI, 1999-2000, p.79-80). The state governments were assigned the task to streamline the PDS by issuing special cards to BPL families and selling essential items under TPDS to them at specially subsidized prices, with better monitoring of the delivery system. 'The bifurcation of BPL and APL quotas of foodgrains into rice and wheat has been left to the States. In case of those States, which have not indicated the bifurcation, the average lifting of rice and wheat over the last 10 years, has been adopted on provisional basis'. Following the TPDS guidelines, any requirement from states over and above TPDS quotas, can be met subject to availability of foodgrains in the Central Pool and at the rates equal to FCI's average economic cost (GOI, 1997-98, p.72).

The essential features of the TPDS are the following

- States to identify families Below Poverty Line (BPL) who would be issued 10 kgs of foodgrains per month per family at prices less than the Central Issue Price (CIP)
- Population above the poverty line (non-poor) now under PDS to continue to receive normal entitlement at the full CIP
- The Centre should guarantee supply of foodgrains for the BPL at 10 kgs per month per family to States. Additional quantities required by states would depend on the availability of stocks in the Central Pool
- States will be free to add to the quantum, coverage and the subsidy from their own resources
- Subsidized foodgrains will also be issued to all beneficiaries under the EAS/Jawahar Rojgar Yojana as per guidelines at the rate of 1 kg. per manday for which food coupons would be issued to beneficiaries for exchanging at FPS (GOI, 1996-97, p. 77).

Rationale of Targeted PDS

No one denies that 'the safest and most obvious way of guaranteeing the universal protection of entitlements is to provide direct and unconditional support to everyone without distinction.... it does have the advantage of altogether bypassing the various difficulties which any form of selectivity in the provision of relief is bound to entail. ...Universal support can be a simple expression of ...right to food (Dreze and Sen, 1989, p. 104). The fact is that the strategy of universal support has several disadvantages. It involves an administrative and logistic burden. In addition, 'universal support may require a commitment of resources that can be hard to obtain' (Dreze and Sen, 1989, p. 104). The PDS as it was planned to be carried on in post-independence India can not today go to encompass all and offer benefits to all in terms of all essential commodities. 'The need for reducing government expenditure under the stabilization programme calls for a discriminatory approach in providing PDS benefits and hence should be targeted only to the vulnerable groups, since malnutrition is caused by an unequal distribution of food and misplaced consumer choices rather than inadequate supply' (Suryanarayana, 2000, p. 80). So comes the targeted system. The targeted system has the advantage that it can ensure the greatest economy of resources by withholding public support from less vulnerable groups. In addition, the targeted system can promote the redistribution of resources by concentrating public support exclusively on the most deprived groups. In India, targeting should take care of not only exclusion of the non-poor but also covering all the needy poor excluded at present from the PDS network.

2.8.1 Subsidy on Essential Commodities Distributed through the PDS

In view of the FAO of the UN, food subsidy schemes are oriented towards urban people partly because urban people can use political system to subsidize food prices. In its view, the use of food subsidies for the benefit of rural poor is a feasible policy option only when there are large numbers of rural landless who must buy their food, as in South Asia (FAO, 1987, p. 79). While food subsidies in general can have beneficial effects, their costs can become extremely high to the income-poor countries. For example, food subsidies as a percentage of government expenditure were 4.0 in 1978 as opposed to 1.6 for Indonesia, 0.2 for Brazil, 2.2 for Mexico. For the countries in South Asia, like Pakistan and Bangladesh, this percentage was high at around 5.0 during 1978-80. For China also, this percentage was very high during the mid-1970s (FAO, 1987, p. 81). All the countries we have quoted, following FAO study, are the large economies by size of population and all are in the income-poor Third World.

In India, around 10.0 per cent of total output of selected essential commodities are supplied through the PDS per year. As PDS supplies are made at concessional rates, the Central Government had to spend over Rs. 2,000 crores on subsidizing distribution of wheat and rice alone in the early 1990s (GOI, 1991-92, Part II, p. 53). 'The gap between the economic cost incurred by the FCI towards procurement, storage, distribution and wastage of foodgrains and its average realization based on the issue prices under PDS has been widening over the years. This gap is filled by the Central Government through consumer

subsidy' (GOI, 1999-2000, p. 82). Although the minimum support prices of wheat and paddy have been raised each year and the procurement prices of levy rice have also been revised upward consequent to the revision of the minimum support price, there has been no corresponding revision in the CIP of rice and wheat since February 1994. Before that, during the 1980s, the issue price of wheat was revised upward from Rs. 160 per quintal in August 1982 to Rs. 234 in May 1990, that is an increase of 46.25 per cent over eight years. For rice, the issue price was revised upward from Rs. 188 in Oct. 1982 to Rs. 289 in June 1990, that is an increase of 53.72 per cent. This upward revision was monotonic over years (GOI, 1996-97, p.79). In spite of this upward revision in issue prices, there occurred higher food subsidy burden on the Government. The reason does not lie perhaps in changing issue prices but in the level of these prices set. The Central Issue Prices of foodgrains for PDS/RPDS are fixed deliberately much below the economic cost of foodgrains with a view to making foodgrains available to PDS consumers at reasonable prices (GOI, 1995-96, p. 87). Price setting on foodgrains for distribution through PDS is administered price. It is to be known that while 'the Central Government issues foodgrains to states for PDS at a uniform CIP, the consumer-end retail price fixed by State Governments for the PDS varies considerable between states' (GOI, 1994-95, p. 80). When the consumer-end PDS prices of foodgrains are lower than CIP, State Governments bear the burden of additional subsidy. 'Depressing administered prices artificially by subsidization from the exchequer only alters the source of price rise; it does not remedy the malady of price rise. Subsidies reduce the incentives to producers to compete and reduce costs. In fact, when accompanied by retention pricing, subsidies reward the least efficient producers at the expense of the efficient ones' (GOI, 1992-93, p. 85).

2.8.2 Subsidy on Sugar

Under the system of dual pricing of sugar in operation for some years, the Government at pre-determined prices as levy sugar acquires 45 per cent of the sugar production. The remaining 55 per cent of the produce are released for sale in the open market. This ratio of levy to free sale sugar has been maintained at 45:55 since 1988-89 (GOI, 1991-92, Part II, p. 56). The retail issue price of levy sugar distributed through the PDS at Rs. 5.25 per kg. with effect from 1st January, 1989 was raised to Rs. 6.10 per kg. from 24th July, 1991 and further to Rs. 6.90 per kg. from 21st January, 1992 to reduce the burden of subsidy on sugar distribution through the PDS (GOI, 1991-92, Part II, p. 57). 'Levy sugar price supplied to PDS consumers at Rs. 9.05 per kg. had remained unchanged for three years since February, 1994 despite periodic revisions in the statutory minimum price of cane paid to sugarcane growers. Consequently, PDS supply of sugar was heavily subsidized and in order to reduce part of the subsidy, the Government raised the issue price of sugar for PDS to Rs. 10.50 per kg. in February, 1997. Even then, the PDS retail price was still cheaper compared to the market price ranging between Rs. 15 to Rs. 16.50 per kg' (GOI, 1996-97, p. 77).

Sugar subsidy as a percentage of food subsidy declined during the end of the 1990s. Subsidy on sugar was more than one-tenth of total food subsidy in 1994-95 and declined to 5.0 percent in 1997-98 and below it during the following two years of the 1990s (**Table 2.3**).

Sugar subsidy thus can not explain the burden on account of subsidy as a whole on food account. Still then, questions may arise whether to confine subsidy on a commodity if that is not significantly consumed by the income-poor.

In formulating agricultural policy, debates center around short-term welfare gains for the income-poor via food subsidies at a public budget cost vis-a-vis more public investment. This is primarily because the latter shows the possibilities of higher growth and employment opportunities while the former shows cost or burden on the public exchequer. Also, while providing subsidies, eligibility is not determined on the basis of a means test but applies to all households in the neighbourhoods where stores are located; nor is there self-targeting by choice of commodities with high income elasticities for the poor and low to the rich (Janvry and Subbarao, 1986, p. 78). The need to restrain the burden of subsidy on the central budget calls for a judicious PDS including coverage of items to be distributed, the cross-section of population to be served, and the pricing of the items to be distributed. Regarding selection/exclusion of target groups, a number of measures have been considered. These include exclusion of income tax payers, salaried employees in Government, public and private sector, registered shop-owners, sales tax assesses, telephone owning families, residents of posh housing colonies etc. (GOI, 1993-94, p. 66). Subsidies arise from the difference between the issue price and the economic cost of FCI. In addition, unwillingness or delay in making necessary correction in the Central Issue Price (CIP) consequent to a rise in the Minimum Support Price (MSP) or procurement price may cause the food subsidy budget to rise significantly. Given the extent of poverty, the necessity of procurement of food stocks for distribution during calamities etc., withdrawal of food subsidy may be neither desirable nor feasible, at least in the short and medium term. The task then is to impose an upper limit on subsidy.

Table 2.3
Subsidy on Food and Sugar, Rs. Crs., 1991-2000

Year	Food Subsidy	Sugar Subsidy	Sugar Subsidy as % of Food Subsidy
1991-92	2850	-	-
1992-93	2800*	-	-
1993-94	5537	-	-
1994-95	5100*	566	11.09
1995-96	5377*	422	7.84
1996-97	6066*	900	14.83
1997-98	7900*	400	5.06
1998-99	9100	400	4.39
1999-2000	9560*	360	3.76

Note: * Includes Sugar Subsidy.
Sugar Subsidy refers to Sugar year, Oct. - Sept.,
-: Means data not available.

Source: GOI, 1999-2000, *Economic Survey*, P. 82, 84.
GOI, 2000-2001, *Economic Survey*, P. 96.

Public Distribution System in the District of Allahabad: Background, Objectives, Coverage, and Methodology

'The structural reasons for global interdependence lie in the growth of food trade, the industrialization and specialization of world agriculture, and the sensitivity of the world economy to shifts in food prices'. (Hopkins, Raymond F., 1982 'Food Policymaking', in Hadwiger Don., F., and Talbot Ross B., Food Policy and Farm Programs, Academy of Political Science, New York).

3.1 Background

(a) Public Intervention in the Foodgrains Market

Agricultural production is essentially land-centered. We use the term 'land' in the loose sense to include 'physical soil area' covered by agricultural crops. The physical soil input is privately owned, in addition to some other complementary inputs like fertilizers, pumpsets, tractors etc. Water as the most important ingredient to keep 'physical soil input' cultivable is provided as an input by the government through medium and major irrigation system. This is supported by private initiatives through minor irrigation system. The point we would like to make clear here is that agricultural production by its nature remains primarily in private hands. The resultant, i.e., physical volume of output per period thus remains in private hands. How does the government then intervene in the domain of agriculture?

One answer is since the government allows the individuals to own and use physical soil which is a free gift of nature, in turn, allows the individuals to derive benefits from universal nature by its transformation, hence the government can claim a share out of it. Privatization by sanction by the government allows the government to have a share out of it. The second answer is activity-specific. Since the government helps the production system through irrigation etc., water being universal gift of nature, the government can intervene to get a return on it. Hence, the government intervenes. The third answer is distribution of benefits-specific. Some individuals are producers of crops who are at the same time owners of physical soil. Hence some individuals who are not owners of soil, and hence do not have the scope to transform it into crops after appropriate use of other inputs including labour, have to get a share of that crop. This establishes not only production by social cooperation but also consumption of crops by individuals who do not produce crops, but produce some other commodities. Production of crops by sale of labour power, or by owning and using marginal land-holdings, may fetch little earnings for the agricultural labourers and marginal farmers. This earning is likely to be insufficient for them to buy food grains required for physical survival in the free market. The question of price-protection for the income-poor thus comes in when it centers on meeting the food needs. It is thus not only a question of protecting the non-

owners of land but also the owners of land and income-poor who constitute the ground for public intervention in the market for foodgrains. The poor, the vulnerable, the left-out sections of the society provide the base for the public distribution system. We thus examine the scope of the public distribution system as a social safety net.

(b) Public Distribution System as a Social Safety Net

As a concept, social safety or security is as old as the existence of human beings as a social or collective unit. In a broad sense, the purpose of social security is to abolish want by guaranteeing every citizen an adequate income at all times to meet his needs. The aim of social safety is to guarantee for each person a minimum level of living through a number of means (Savy, 1972, p.2-3). These means include both supply-side and demand-side instruments that cover economic and social interventions of the government. The concern of social safety sometimes denotes concern for a cross-section of the society in a national economy. This aspect may be important as far as the short-term goals of the government are concerned. In its totality, however, social safety includes all the population all over the world for which not only the sovereign government of a national economy but also the international institutions are responsible.

The ultimate objective of our study is to examine how social welfare is promoted in a national economy. This is examined through government intervention in the market for foodgrains. National or personal income is a poor indicator for ensuring social welfare. Agricultural output and the price at which it is bought measure the power of the purse of the non-agricultural population, particularly when food is the first biological need in the hierarchy of needs. Given money income of an individual, the price per unit of foodgrains determines his entitlement to foodgrains, and hence disposable income to be spent on non-agricultural commodities. The price of foodgrains thus plays a significant role in indicating the welfare in an economy particularly characterized by high poverty. Poverty of people is understood as the situation where a sizeable section of the population is left with levels of money income below the poverty line. Poverty line is understood as the access of the individuals to minimum calorie intake specified by some norm.

The factors that influence rural poverty are primarily local manpower absorption in agriculture, growth of agricultural output, food prices and anti-poverty programmes initiated and implemented by the Government. Agricultural growth not only raises output but also income-generation for labourers by wage payment. The level and changes in food prices, absolute inter-temporal and also relative to non-food industrial goods, affect the real purchasing power of the people as food takes away the largest portion of the family budget of the poor. Food prices may have greater impact on the urban poor relative to the rural counterpart. While the latter may have access to the foodgrains grown in their own home farms, the former may not have any such access and have to depend entirely on the market price of foodgrains. This is because of non-availability of cultivable land in the urban areas (Dev and Ranade, 1997, p.63). We will thus take into account both rural and urban scenario.

While food prices are well taken into account in the literature for alleviation of poverty, the public support system is rarely emphasized much.

In case of crop failure and consequential price rise, a high percentage of population will remain without minimum levels of food consumption and hence will be counted as population below poverty line. The incidence of crop failure and hence the incidence of food shortage initially gets distributed among the families approximately in the same direction as the productive assets are distributed (Ghose, 1999, p. 351). On the assumption that the distribution of productive assets can not be changed overnight, we think about the public support system that ensures access to food. It is not only aggregate supply of food but also its distribution that determines the incidence of hunger and deprivation in any society. The public support system for foodgrains comes as an effective instrument for alleviation of income-poverty of people. This does not imply that PDS can be seen in isolation from some other instruments to make a dent on poverty. We take here a limited perspective of poverty alleviation that works through PDS. The perspective is limited in the sense that given limited income of the individual, the price of foodgrains distributed through PDS can determine the consumption possibilities of the individuals by determining their real income. The PDS shows at best the maximum of the essential commodities the targeted individuals can get subject to the family budget constraint. The PDS in no way aims at enhancing the money or real income of the individual. In fact, it does not have any income-generating device. The PDS is a purely supply-side instrument that aims at covering the vulnerable section of the population through guaranteeing the entitlement to essential commodities at a price known to the potential consumers. The potential consumers do not determine the price. If at all there comes reduced price of essential commodities distributed through PDS, it can not lift the ceiling of the individual entitlement. The reduced price then leads to extended coverage of the population by increasing the number of card holding families. The section of people without income-earning employment, landless agricultural labourers without jobs for a reasonable period of a year, the section of people without residential address etc are not covered by the PDS. The PDS as a social safety net has to be understood in the sense of this limited perspective. The perspective as announced by the GOI is that essential commodities such as rice, wheat, imported edible oils, sugar and kerosene are distributed at prices below the market prices through a network of fair price shops. The Government accepts this as an essential element of Government's safety net for the poor (GOI, 1992-93, p. 89).

Public Distribution System as a safety net for the poor in the context of the Indian economy has to be understood by the consumption standard of the poor. About 40-50 per cent of the poor in India, even if they spend three-fourth of their outlay on food, can not afford the average Indian dietary energy measured in kilocalories standard. This proportion showed no clear trend, up or down, between the mid-1950s and the mid-1970s. The World Bank style of identifying the poor lies in who are really undernourished by clinical evidence and the section that are above the poorest section. The poorest deciles spend their increase in income on the cheapest available food, without going for the finer qualities of the same food,

or diverting a portion of their income on other non-food commodities (Clay, 1981, p. 89). We do not delve into the question of who are the destitute-like poor and who can afford to buy some essential commodities. We know that food insecurity imposes severe hardship directly on the segment of population who is poor. Thus, we concentrate on population who are below the poverty line, study its insecurity in terms of availability of food and study the relevance of the PDS in that context.

3.2 Objectives of the Study

We are going to study the extent to which PDS has succeeded or failed in providing essential commodities to the population living below the poverty line (BPL) during the survey period. The survey period will be one month before the date of inquiry. The specific objectives of the study will be to examine

- (vi) If the PDS has failed or succeeded, and to what extent, to ensure the interests of the poor in terms of their steady access to essential commodities from the FPS,
- (vii) The likely impact of restricting the coverage of PDS to only the population below the poverty line,
- (viii) The likely impact of restricting the coverage of PDS to only rice and wheat,
- (ix) The impact of withdrawing sugar from the purview of PDS,
- (x) If the existing distributive set up is efficient to run the PDS.

3.3 Coverage and Methodology

(a) Methodology

To study the public distribution system (PDS) in Uttar Pradesh (U.P.) we have chosen the Allahabad district purposively, it being one of the developed districts in Eastern U. P. Eastern U. P. is generally seen as the relatively underdeveloped region in U. P.

The district of Allahabad has twenty development blocks, out of which we have selected for our study a total of four, that is, 20.0 per cent of the blocks. These four blocks have been selected from four administrative regions of the district, thereby taking care of the dispersal of the distribution facilities being administered by the state supply office (**Map 1**). The blocks have been selected by stratified purposive sampling method, the chosen blocks thus covering industrial developed, hilly developed and underdeveloped areas of the district.

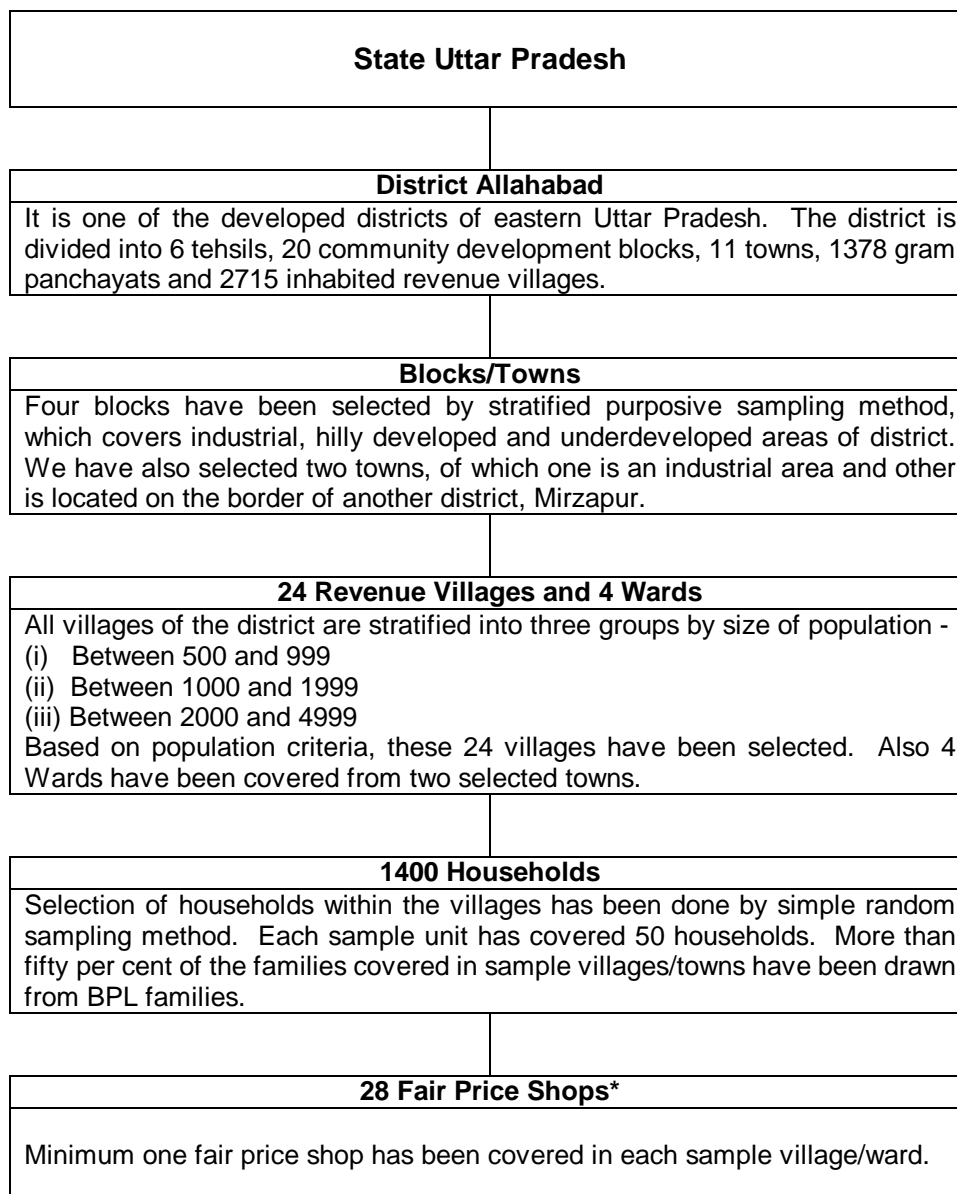
The district of Allahabad has a total of 2978 Revenue Villages, of which we have selected only 24, that is, 0.8 per cent of the total. The district has 11 towns, of which we have selected two, for proper representation of urban areas in the study. Though the percentage of towns selected is 18.2, by selection of two Wards from each of the towns, the urban area being covered has been reduced. We have selected more of the median villages. This has been done by arrangement of villages by size of population.

In each village, we have selected 50 households by simple random sampling method, where in each village more than 50.0 per cent of the BPL (Below Poverty Line by card holding) families have been selected. In 24 villages thus we have covered 1200 households. Out of the two towns selected, we selected two Wards, and a total of 50 households taken for study in each Ward. Thus, 200 households as beneficiaries in the PDS have been selected

from the urban area of the district. We have thus covered 1400 households as beneficiaries covering both rural and urban areas in Allahabad district, of which around 60.0 percent of the households come from the BPL category.

In addition, we have studied in each village and town one FPS. In our original proposal, we offered to study 20 FPSs. While in field we felt compelled to study one FPS in each of the villages and Wards in towns. Thus, we covered 28 FPSs for required information on the PDS in the district (**Box 1**).

**Box 1
Sampling Procedure**



Note: * We had to cover more FPSs than what we proposed (twenty) in the original proposal, the reason being that we covered 24 villages and 4 wards of two towns in Allahabad district.

The names of Tehsils, Blocks, Villages and Wards, Gram and Nagar Panchayats in the district are enlisted in **Box 2**.

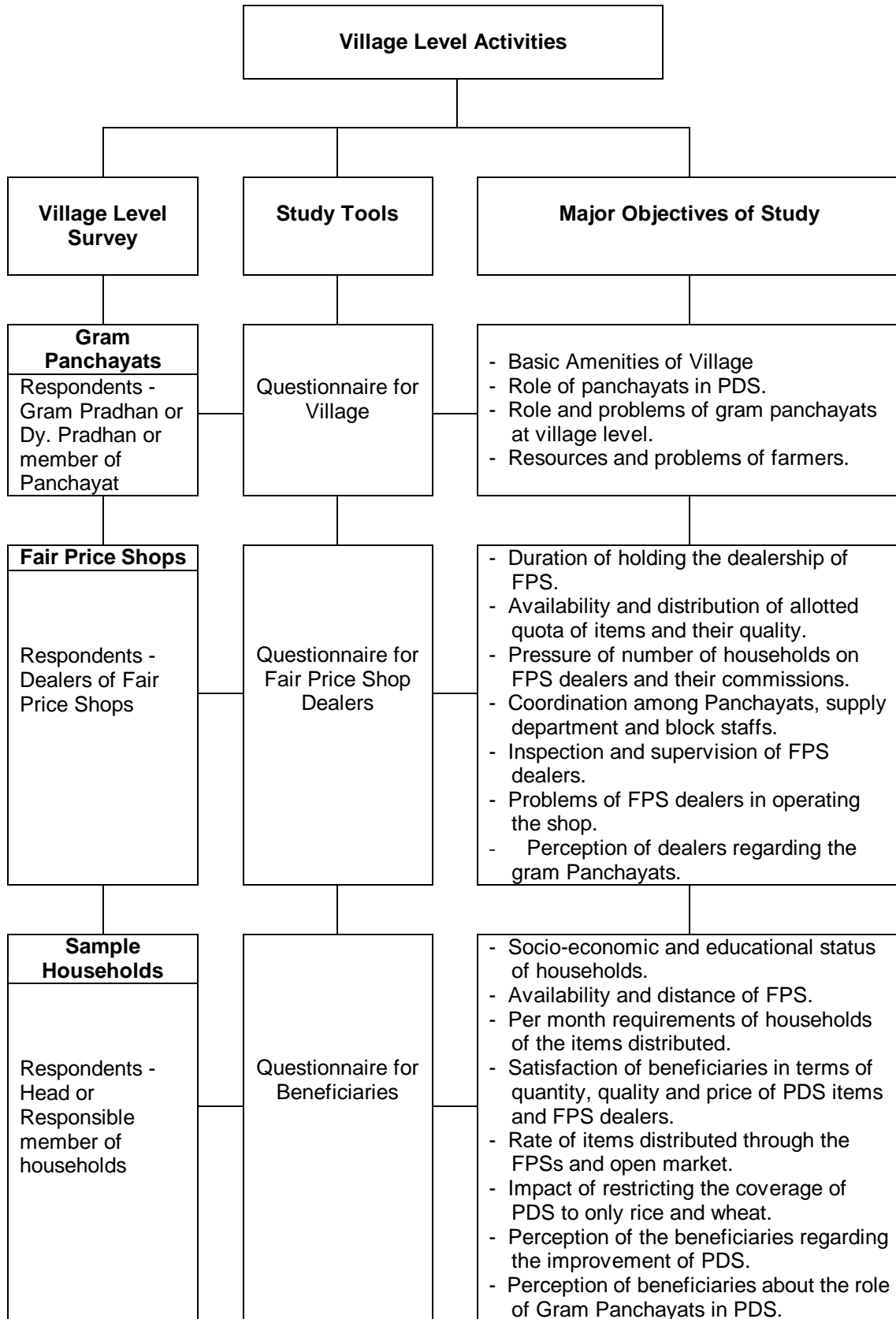
The names of respondents, study tools and major objectives of the study are elaborated in **Box 3**.

Box 2
Profile of Sample Villages/Wards within their Respective Blocks/Towns and Tehsils

Tehsils	Blocks/Towns	Villages/Wards	Gram/Nagar Panchayats
Bara	Shankargarh	Janwan	Janwan
		Golhaiya	Golhaiya
		Garha	Garha
		Sheorajpur	Sheorajpur
		Benipur	Benipur
		Lohgara	Lohgara
Karchhana	Karchhana	Rithainya	Niria
		Semarha Uperhar	Semarha Uperhar
		Pach Dewra	Pach Dewra
		Dewri Kala	Dewari Kala
		Karchhana	Karchhana
		Bhatauli	Piparaon
Handia	Saidabad	Baragaon	Jalalpur
		Mahuwa Kothi	Chandopara
		Motiha	Barethi
		Jogapur	Mohua Dih
		Dusaoti	Mahua Dih
		Oasepur	Binda
Soraon	Kaurihar	Muzaffarpur Urf. Bichhia	Muzaffarpur Urf. Bichhia
		Fatehpur Kayasthan	Fatehpur Kayasthan
		Atrampur/Nawabganj	Atrampur
		Fatopur Uperher	Fatopur Uperher
		Kanjia	Kanjia
		Malak herher Uperher	Malak herher Uperher
Phulpur	Phulpur	Ward No. 3	Phulpur
		Ward No. 12	Phulpur
Meja	Bharatganj	Ward No. 1	Bharatganj
		Ward No. 12	Bharatganj

Source: NIC, Allahabad Based on 1991 Census.

Box 3
Study Tools and Major Objectives at Village Level



(b) Sample Design

In Allahabad district, there are 6 tehsils, all of which have been covered in the study. Out of 20 Blocks, the study has covered 4, that is, 20 per cent. The study has covered 24 inhabited revenue villages, which is 0.9 per cent of total revenue villages in the district, and also 2 towns that is 18.2 per cent of all the towns in the district. All the 24 villages have gram panchayats, the 24 gram panchayats thus covered constitute 1.7 per cent of all gram panchayats in the district. The 4 wards selected and studied constitute 15.4 per cent of all the 26 wards in two towns in the district (**Table 3.1**).

Table 3.1
Profile of Sample Villages/Wards, Allahabad District, 1998

Particulars	Selected	Total
Tehsils	6 (100.0)	6 (100.0)
Blocks	4 (20.0)	20 (100.0)
Gram Panchayats	24 (1.7)	1378 (100.0)
Inhabited Revenue Villages	24 (0.9)	2715 (100.0)
Towns	2 (18.2)	11 (100.0)
Wards	4 (15.4)	26 (100.0)
(a) Phulpur	2 (14.3)	14 (100.0)
(b) Bharatganj	2 (16.7)	12 (100.0)

Source: *District Statistical Handbook of Allahabad, 1998 and NIC, Allahabad.*

As we told earlier, the villages have been selected by size of population, taken in three categories I, II and III, category I representing population size between 500 and 999, category II representing population size between 1000 and 1999, and category III representing population size between 2000 to 4999. The sample (selected villages in number) represent 0.9 per cent of total villages in the district. But the same sample villages represent 4.1 per cent in number when considered with respect to the total number of villages in the respective population categories. The sample villages in categories I, II and III represent 21.10 per cent of all villages in the district in the said categories. Thus, selection of Blocks out of total number of villages in categories I, II and III bear a correspondence in terms of representation by number of Blocks and Villages selected.

We have purposively selected 12 villages from category II, 6 villages each from category I and category III. In the whole district, such selection would mean 1.8 per cent of the villages in category II out of total villages in category II understood as 100.0 per cent, while 0.7 per cent for category I out of total villages in category I understood as cent per cent, and 1.9 per cent for category III out of total villages in category III understood as cent per cent. The sample proportions for categories I, II and III represent exactly the similar picture. If number of villages in category II in the sample is taken as cent per cent, then the 12 villages

selected in this category represent 9.3 per cent. If number of villages in category I is taken as cent percent, then the 6 villages selected in this category represent 3.2 per cent, while in category III, this percentage is 9.4 (**Table 3.2**). The selection of median villages by size of population as sample villages thus confirms the representative character of the villages in the district of Allahabad.

Table 3.2
Category-wise Distribution of Sample and Total Number of Villages in the District

Categories of Villages	Total Sample		Total District	
	Sample	Total	Sample	Total
I	6 (3.2)	186 (100.0)	6 (0.7)	804 (100.0)
II	12 (9.3)	129 (100.0)	12 (1.8)	673 (100.0)
III	6 (9.4)	64 (100.0)	6 (1.9)	319 (100.0)
Others	-	204	-	919
Total	24 (4.1)	583 (100.0)	24 (0.9)	2715 (100.0)

Source: *District Statistical Handbook of Allahabad, 1998 and NIC, Allahabad.*

All the 4 Blocks selected are represented by selection of 6 villages for each Block chosen for the study of PDS in the district of Allahabad. These 4 Blocks are Sankargarh, Karchhana, Saidabad and Kaurihar. The 6 villages selected in Sankargarh represent 3.2 per cent of all villages in Sankargarh; the 6 villages in Karchhana represent 5.0 per cent of all villages in Karchhana, the 6 villages in Saidabad represent 3.8 per cent of all villages in Saidabad, while in Kaurihar the 6 villages represent 4.9 per cent of all villages in Kaurihar.

Depending on a number of factors in the respective categories, I, II, and III, like existence of Gram Panchayats, functioning FPSs etc. we have selected and surveyed the villages in the respective categories. Thus, equal number of villages, that is, two in number does not represent each category in a particular block, but there is inter-category variation in selection of villages. For example, for category III which is large by size of population, in Sankargarh Block there are only 4 villages, out of which we selected only one, while in the same category III in Saidabad, there are 26 villages so that we selected two. Similarly, in Kaurihar we selected two villages out of a total of 20 villages in category III, while in Karchhana, we selected one out of a total of 14 villages in this category. Since category II is constituted by the most representative villages by size of population (2000 – 4999), hence we selected 3 villages out of 6 in each Block from this category, that is half of all villages selected from any Block, and by summation, villages from category II represent half of all (24) villages selected for the study. The variation in number of villages, inter-Block, thus rested on whether or not to take more villages from category I or category III, it is a variation between 1 closing village or 2 villages from each of the categories, I and III (**Table 3.3**).

Table 3.3
Profile of Selected Villages in Sample Blocks

Blocks	Categories of Villages						Other Villages	Total Villages	
	I		II		III			Selected	Total
	Selected	Total	Selected	Total	Selected	Total			
Shankargarh	2 (2.9)	68 (100.0)	3 (15.0)	20 (100.0)	1 (25.0)	4 (100.0)	93	6 (3.2)	185 (100.0)
Karchhana	2 (7.1)	28 (100.0)	3 (10.0)	43 (100.0)	1 (7.1)	14 (100.0)	34	6 (5.0)	119 (100.0)
Saidabad	1 (1.9)	52 (100.0)	3 (8.8)	34 (100.0)	2 (7.7)	26 (100.0)	44	6 (3.8)	156 (100.0)
Kaurihar	1 (2.6)	38 (100.0)	3 (9.4)	32 (100.0)	2 (10.0)	20 (100.0)	33	6 (4.9)	123 (100.0)
Total Sample	6 (3.2)	186 (100.0)	12 (9.3)	129 (100.0)	6 (9.3)	64 (100.0)	204	24 (4.1)	583 (100.0)
Total District	6 (0.7)	804 (100.0)	12 (1.8)	673 (100.0)	6 (1.9)	319 (100.0)	919	24 (0.9)	2715 (100.0)

Note: 1. Village categories based on total population of the villages (I=500 to 999, II=1000 to 1999 and III= 2000 to 4999, by population).
2. Due to not availability of census town data of 1991, categorization of Wards has not been done but weightage has been given to those Wards where mostly BPL families reside.
3. Four Wards have been selected from two towns, namely Phulpur and Bharatganj, first one is an industrial area and the second one is located at a distance of 70 km. from district headquarter and is located on the border of the district.

Source: District Statistical Handbook of Allahabad, 1998 and NIC of Allahabad.

By distribution of Households in the 4 Blocks selected for the study, we find that the villages selected in Sankargarh has 21.7 per cent of all households in the sample, while for Karchhana it has 18.3 per cent, for Saidabad it has 26.6 per cent and for Kaurihar it has 33.4 per cent. By distribution of population, these selected villages in 4 Blocks represent respectively 21.1, 21.7, 24.1 and 33.1 per cent of total population in all the sample blocks taken together. On the one hand, we thus have a one-to-one correspondence between the distribution of number of households and the distribution of population, by selection of six villages from each of the four blocks. The two distributions by number of households and by population also show balanced representation block wise. These distributions also show a correspondence with villages selected by size of population categories, represented by I, II and III. If we consider in addition the social categories like SC and ST in population, then the sample population in SC category shows 27.9 per cent of total population in the sample, while the ST category represents only 0.2 per cent. There are, however, wide inter-block variations in distribution of population by SC category (**Table 3.4**).

Table 3.4
Profile of Sample Villages/Wards, Allahabad District

Name of Village/ Ward & Block	Area (In Hect.)	Total No. of HHs.	Total Population			SC Population			% SC Pop.
			Male	Female	Total	Male	Female	Total	
Janwan	642.66	127	399	279	678	189	139	328	48.3
Golhaiya	394.18	157	454	412	866	278	264	542	62.6
Garha	507.90	255	663	593	1256	534	457	991	78.9
Sheorajpur	728.86	269	725	609	1334	305	264	569	42.7
Sidhtikar	579.77	232	730	626	1356	202	175	377	27.8
Lohgara	1008.51	331	1250	1117	2367	315	280	595	25.1
Total Shankargarh	3861.88	1371 (21.7)	4221 (21.9)	3636 (20.9)	7857 (21.1)	1823 (32.8)	1579 (32.7)	3402 (32.8)	43.3
Rithainya	126.00	113	405	359	764	-	-	-	-
Semraha Uperhar	64.00	145	581	486	1067	52	36	88	8.2
Pach Dewra	159.00	232	623	492	1115	63	42	105	9.4
Dewri Kala	191.00	223	1008	796	1804	191	172	363	20.1
Karchhana	231.00	380	1531	1263	2794	420	352	772	27.6
Bhatauli	27.00	66	303	250	553	75	60	135	24.4
Total Karchhana	798.00	1159 (18.3)	4451 (23.1)	3646 (21.0)	8097 (21.7)	801 (14.4)	662 (13.7)	1463 (14.1)	18.1
Baragaon	115.82	116	405	353	758	212	190	402	53.0
Mahuwa Kothi	95.29	273	668	620	1288	152	137	289	22.4
Motiha	193.34	368	874	782	1656	240	210	450	21.1
Jogapur	132.95	131	550	492	1042	99	93	192	18.4
Osepur	122.40	421	1048	1005	2053	292	254	546	26.6
Dusaoti	110.64	371	1152	1015	2167	532	444	976	45.0
Total Saidabad	770.44	1680 (26.6)	4697 (24.4)	4267 (24.6)	8964 (24.1)	1527 (27.5)	1328 (27.5)	2855 (27.5)	31.8
Muzffarpur Urf. Bichhia	81.75	90	292	267	559	49	49	98	17.5
Fatehpur Kayasthan	90.00	245	658	532	1190	303	248	551	46.3
Atrampur/ Nawabganj	321.33	377	1000	927	1927	251	246	497	25.8
Fatopur Uperhar	97.00	217	665	564	1229	190	161	391	28.5
Kanjia	286.53	475	1491	1346	2837	240	205	445	15.7
Malak Herher Uperhar	312.00	705	2410	2178	4588	376	346	722	16.8
Total Kaurihar	1188.61	2109 (33.4)	6516 (33.8)	5814 (33.5)	12330 (33.1)	1409 (25.3)	1255 (26.0)	2664 (25.7)	21.6
Grand Total (Sample)	6618.93	6319 (100.0)	19285 (100.0)	17363 (100.0)	37248 (100.0)	5560 (100.0)	4824 (100.0)	10384 (100.0)	27.9

Note: Due to non-availability of urban data, the urban figures are not mentioned.

Source: District Statistical Handbook of Allahabad District, 1998 and NIC Allahabad.

3.4 Sample District Profile

(a) Physical and Social Infrastructure in the District

The two factors, mutually supporting however, that affect the entitlement and access to commodities and services and hence empowerment of population, are physical and social infrastructure. The demographic and geographic dimensions of the district are included in physical infrastructure for simplicity of analysis.

The regional distribution of population in the district shows 75:25 by rural:urban division. The rate of growth of population of the district during 1981-91 was around 3.0 per cent per annum, much higher than the national average. By division by social categories, scheduled castes (SC) population in the district constituted one-fifth of the total, while scheduled tribe (ST) population only 0.06 per cent. The sex ratio is extremely in favour of male population, 874 female per thousand males. The literacy rate in the district in 1991 was 46.2 per cent, which was higher than the average for UP as a whole. The number of villages connected by electricity is 90.0 per cent of all the villages in the district (**Table 3.5**). The district is also developed in terms of physical infrastructure and social institutions like Pakka roads, educational institutions, hospitals and health centres, communications, administration, fair price shops etc. (**Table 3.6**).

Table 3.5
Profile of District Allahabad
(Major Demographic and Social Indicators)

Sl.No.	Indicators	Number/Level/Unit
1.	Total Geographical Area (sq. km.)	5248.2
2.	Total Population	3750283
3.	SC Population (Percentage)	21.36
4.	ST Population (Percentage)	0.06
5.	Urban Population (Percentage)	25.09
6.	Population Growth Rate (1981-91)	29.6
7.	Population Density (per sq. km.)	714.58
8.	Sex Ratio (per thousand males)	874.5
9.	Literacy Rate (Percentage, 1991)	46.2
10.	Number of Households	586677
11.	Average Size of Family	6.4
12.	Tehsils (Number)	6
13.	Development Blocks (Number)	20
14.	Nyaya Panchayats (Number)	208
15.	Gram Panchayats (Number)	1378
16.	Revenue Villages (Number)	2978
17.	Towns (Number)	11
	Number of Municipal Corporation	1
	Number of Police Station	35
18.	Post Offices (Number)	386
19.	Fair Price Shops (Number)	2011
	(a) Rural	1623
	(b) Urban	388
20.	Electrified Inhabited Villages (Percentage)	90.35

Source: District Statistical Handbook of Allahabad 1998.

Table 3.6
Basic Facilities (Per lakh population), Allahabad District

Facilities	Number
Pakka Road (in km.)	80.4
Junior Basic Schools	49.2
Senior Basic Schools	15.1
Higher Secondary Schools	6.0
Degree Colleges	0.4
Industrial Training Institutes	0.1
Allopathic Hospitals	1.6
Aayurvedic Hospitals	0.8
Homeopathic Hospitals	0.8
Yunani Hospitals	0.1
Primary Health Centres	2.1
Female Maternity Welfare Centres	2.4
Female Maternity Welfare Sub-centres	9.8
Cattle Hospitals	1.2
Fair Price Shops	53.6
Police Stations	1.0
Post Offices	10.3

Source: *District Statistical Handbook of Allahabad, 1998.*

(b) Economic Profile of the District

Let us look at the occupational pattern in the district. Around 30.0 per cent of total population in the working age constitute the main workers in the district, which is the same as that of the state. The non-workers constitute around 68.0 per cent, which is also the same as that of the state. The marginal workers form the rest. In the main workers category, cultivators constitute 41.0 per cent, agricultural labourers 22.0 per cent, these two categories thus constituting nearly two-third of the main workers in the district. The rest of the population in the working age characterised as main workers come mainly from household industry, trade and commerce, and services (Table 3.7).

Table 3.7
Occupational Structure, Allahabad District

Occupations	Allahabad		Uttar Pradesh	
	Number	Percent	Number	Percent
Main Workers	11,41,024	30.42	4,13,60,734	29.73
(a) Cultivators	4,71,414	41.31	2,20,31,181	53.27
(b) Agricultural Labourers	2,51,866	22.07	78,33,258	18.94
(c) Livestock and Allied Activities	7,042	0.62	2,95,684	0.71
(d) Mining and Quarrying	4,591	0.40	34,598	0.08
(e) Household Industry*	49,243	4.32	9,97,165	2.41
(f) Other than Household Industry**	66,538	5.83	22,08,368	5.34
(g) Constructions	12,932	1.13	5,10,520	1.23
(h) Trade and Commerce	90,380	7.92	25,50,857	6.17
(i) Transport and Communication	28,991	2.54	7,71,224	1.86
(j) Other Services	1,58,027	13.85	41,27,879	9.98
Marginal Workers	66,898	1.78	34,38,546	2.47
Non-Workers	25,42,361	67.79	9,43,13,007	67.80

Note: * Manufacturing, Processing, Servicing and Repairs in Household Industry.

** Manufacturing, Processing, Servicing and Repairs in Other than Household Industry.

Source: *District Statistical Handbook of Allahabad, 1998 and Census of India, 1991.*

Following the observation that most of the working population constitutes the cultivation category, let us see land holding by ownership and use in the district. The size of land holdings below 0.5 hectare per cultivator cover 60.0 per cent of total number of land holders who occupy a total landholding area of less than 20.0 per cent, that is, one-third of what equal distribution of landholding requires. The size of landholdings above 10 hectares per cultivator cover 0.3 per cent of total number of landholdings who occupy a total landholdings area of 5.6 per cent, that is more than 16 times what equal distribution of landholdings requires. Between 0.5 and 10 hectares of landholding per cultivator, the land ownership pattern shows increasing skewness as the size holding is arranged in ascending order. The ownership of landholding thus becomes more skewed, the higher the size holding per cultivator. The rural region of the district shows the same land ownership pattern what we calculated from the sample villages representing sample rural region of the district, shows exactly the same skewed ownership of landholding (**Table 3.8**). In land use pattern in the district, we find around two-third of total reported area as net sown area. Area sown more than once constitutes less than one-third of net sown area. Net area irrigated is around two-fifth of net sown area. Land use in the district thus shows poor indicators understood by multiple cropping and irrigation. Another significant observation here is that, rather than the remaining portion of total reported land area in the district (Remaining Portion = Total Area — Net Sown Area) covered by forestry, it is covered by wasteland and current fallow, land not available for cultivators and land put to non-agricultural use. The land use pattern in rural region in the district resembles the picture for the whole district (**Table 3.9**).

Table 3.8
Land Holding Pattern, Allahabad District

Size of Land Holding (in hectare)	Sample Rural		Total Rural		Total District	
	Number	Area	Number	Area	Number	Area
Below 0.5	67279 (61.1)	15943 (19.4)	305651 (60.4)	72902 (19.6)	313593 (60.4)	73724 (19.5)
0.5 to 1.0	22554 (20.5)	14627 (17.8)	102491 (20.3)	66891 (18.0)	105153 (20.3)	67644 (17.9)
1.0 to 2.0	13157 (11.9)	17434 (21.2)	59519 (11.8)	80843 (21.8)	61454 (11.8)	82890 (21.9)
2.0 to 4.0	5833 (5.3)	16773 (20.4)	26812 (5.3)	73264 (19.7)	27477 (5.3)	74535 (19.7)
4.0 to 10.0	2132 (1.9)	12600 (15.3)	9923 (1.9)	56879 (15.3)	10148 (1.9)	57933 (15.3)
Above 10.0	276 (0.3)	4880 (5.9)	1284 (0.3)	20514 (5.5)	1330 (0.3)	20938 (5.6)
Total	110231 (100.0)	82257 (100.0)	505680 (100.0)	371293 (100.0)	519155 (100.0)	377664 (100.0)

Note: Figures in parentheses denote column percentages.

Source: District Statistical Handbook of Allahabad, 1998.

Also, following the observation that most of the population in the working age come from the two categories, cultivators and agricultural labourers, let us look at the major crops in the district and their yield, yield measured by quintals per hectare in a particular year. The major crops being produced are wheat and paddy where most of the cultivated area is

devoted. The two major crops cover more than three-fourth of gross cropped area in the district as well as the state of U. P. The other crops are bajra, gram, jawar, maize and pulses. The productivity per unit of land, measured by yield per hectare, for wheat and paddy in the district, is around 20 quintals per hectare that is what the yield at the state level shows (**Table 3.10**).

Table 3.9
Land Use Pattern, Allahabad District, 1998

Types of Land	Land Use (in hectare)		
	Rural	Urban	Total
Forestry	19463 (3.8)	-	19463 (3.75)
Cultivable wasteland	15326 (3.0)	200 (3.23)	15526 (3.0)
Current fallow	32691 (6.38)	817 (13.2)	33508 (6.46)
Other wasteland and fallow	26039 (5.08)	292 (4.72)	26331 (5.08)
Land not available for cultivation	20207 (3.94)	220 (3.55)	20427 (3.94)
Land put to non-agricultural uses	54992 (10.73)	1533 (24.77)	56525 (10.9)
Postures	1724 (0.34)	-	1724 (0.33)
Others	8800 (1.72)	73 (1.18)	8873 (1.71)
Net sown area	333242 (65.02)	3054 (49.34)	336296 (64.84)
Total reported area	512484 (100.0)	6189 (100.0)	518673 (100.0)
Area sown more than once	146118 (28.51)	1170 (18.9)	147288 (28.4)
Total cropped area (gross)	479360 (93.53)	4224 (68.25)	483584 (93.23)
Net area irrigated	212142 (41.39)	2370 (38.29)	214512 (41.36)

Note: Figures in parentheses denote column percentages.

Source: District Statistical Handbook of Allahabad, 1998.

Table 3.10
Product-wise Land Utilization Pattern and Yield, Allahabad District and U.P., 1998

Crops	Allahabad			Uttar Pradesh		
	Area in Hectare	% of Area	Yield in Qt./Hect.	Area in Hectare	% of Area	Yield in Qt./Hect.
Paddy/Rice	138040	41.05	19.76	5616728	22.47	18.17
Jawar	12333	3.67	9.16	526536	3.04	9.36
Bajra	33342	9.91	9.30	785105	4.54	11.15
Maize	273	0.08	20.03	1095488	6.33	13.19
Wheat	191533	56.95	21.07	8567674	49.53	21.71
Gram	30777	9.15	8.60	1275254	7.37	8.79
All Pulses	60121	17.88	11.97	1764732	10.20	9.35
Oil Seeds	10885	3.24	5.39	151876	0.88	7.42

Source: District Statistical Handbook of Allahabad, 1998, and Statistical Abstract of Uttar Pradesh, 1992.

3.5 Public Distribution System: Profile of the District of Allahabad

(a) Distribution of Ration Cards

The distribution of ration cards by BPL and APL categories of households and units shows that the BPL families received only one-sixth of cards while the APL families received more than five-sixth for the district of Allahabad. For the state of U. P., these relative shares were one-fourth and three-fourth. The distribution of units by BPL and APL categories of households shows that the BPL families hold 15.3 per cent of total units for the district of Allahabad. At the state level, this figure is 23.7 per cent higher than the per cent of the district. The average unit per household is 4.9 for BPL and 4.5 for APL in Allahabad district. For U. P. as a whole, the average size per unit is more or less the same, for BPL it is 4.7 and for APL it is 4.6.

The distribution of cards for the sample rural area shows that BPL households got more than one-fourth while APL households got a little less than three-fourth. The distribution of cards by categories of BPL and APL thus is in favour of APL for the sample, while for the district the distribution of cards is more in favour of APL relative to what it is for the sample (Table 3.11).

Table 3.11
Distribution of Cards by BPL and APL Categories of Households and Units in Allahabad District

Area	Categories	Number of Cards	Number of Units	Average Unit Per Household
Uttar Pradesh	BPL	9537823 (24.0)	43935376 (23.7)	4.6
	APL	30162593 (76.0)	141496038 (76.3)	4.7
	Total	39700416 (100.0)	185431414 (100.0)	4.7
Allahabad	BPL	199391 (16.4)	907216 (15.3)	4.5
	APL	1018334 (83.6)	5026552 (84.7)	4.9
	Total	1217725 (100.0)	5933768 (100.0)	4.9
Sample Area				
Rural (Shankargarh, Karchhana, Saidabad, and Kaurihar)	BPL	48969 (27.6)	210101 (27.3)	4.3
	APL	128291 (72.4)	559419 (72.7)	4.4
	Total	177260 (100.0)	769520 (100.0)	4.3
Urban (Phulpur, and Bharatganj)	BPL	1275 (14.9)	6324 (13.0)	5.0
	APL	7265 (85.1)	42267 (87.0)	5.8
	Total	8540 (100.0)	48591 (100.0)	5.7
Total (Rural + Urban)	BPL	50244 (27.0)	216425 (26.5)	4.3
	APL	135556 (73.0)	601686 (73.5)	4.4
	Total	185800 (100.0)	818111 (100.0)	4.4

Source: Data provided by District and State Level Officials, November 2000.

(b) Items to be Distributed

(i) Allotment

In the PDS in Allahabad district, the importance of wheat as a major consumable item is most. So far as allotment for the district is concerned for 1998, the allotment of wheat is 22 times the allotment of rice in quintals. The allotment of sugar is nearly twice the quantity allotted for rice.

Wheat allotted per card is 14 kg. per household, while it is 6 kg. for rice and 550 gram per unit for sugar. Kerosene per card is 3.76 lt. in rural areas and 4 lt. for urban areas in the district.

(ii) Price

For BPL families, the price of distributable wheat is Rs. 4.65 per kg., while for APL families, it is nearly twice, Rs. 8.80. For rice, the price for BPL families is Rs. 6.15 while for APL families, it is Rs. 11.80, nearly double the price what the BPL families are supposed to pay. This price-differential does not correspond to product-differential, it is for same variety, for each of wheat and rice.

For sugar and kerosene, it is a different phenomenon. Sugar has a common rate for both BPL and APL families, fixed at Rs. 13.00 per kg., while for kerosene it is Rs. 9.05.

(iii) Fair Price Shops

The FPSs, located in rural areas of the district constitute 87.49 per cent of total FPSs in the district, the rest being in urban areas. The dealers/owners of the FPSs are entitled to a commission, these commissions being fixed administratively. For example, for wheat and rice per kg. it is 6 paise, for sugar 7 paise, for kerosene per liter 14 paise (**Table 3.12**).

Table 3.12
PDS Profile, Allahabad District, 2000

Particulars	Units
Programme Implementing Department	Supply Department
(a) Tehsils	6
(b) Blocks	20
(c) Gram Panchayats	1378
(d) Revenue Villages	2715
(e) Towns	11
Total Ration Cards	1217725
(a) BPL	199391
(b) APL	1018334
Total Ration Cards (Rural)	907504
(a) BPL	188279
(b) APL	719225
Total Ration Cards (Urban)	310221
(a) BPL	11112
(b) APL	299109
Total Units	5933769
(a) BPL	907216.5
(b) APL	5026552.5

Contd...

Particulars	Units
Total Units (Rural)	4095262
(a) BPL	849640.5
(b) APL	3245621.5
Total Units (Urban)	1838507
(a) BPL	57576
(b) APL	1780931
Allotted quota of Items	
(a) Wheat (in quintals)	279038
(b) Rice (in quintals)	12500
(c) Sugar (in quintals)	21560
(d) Kerosene (in liters)	4308000
Allotted quota for households	
(a) Wheat per card (in kg.)	14
(b) Rice per card (in kg.)	6
(c) Sugar per unit (in gram)	550
(d) Kerosene per card (in liters) (i) Rural	3.46
(ii) Urban	4
Price of PDS Commodities (in Rs.)	
(a) Wheat in kg. (i) BPL	4.65
(ii) APL	8.80
(b) Rice in kg. (i) BPL	6.15
(ii) APL	11.80
(c) Sugar in kg. (BPL & APL)	13.00
(d) Kerosene in lt. (BPL & APL)	9.05

Note: * These data have been taken from District Statistical Handbook of Allahabad, 1998.

Source: District Supply Office, Allahabad, November 2000.

(iv) Supply Office

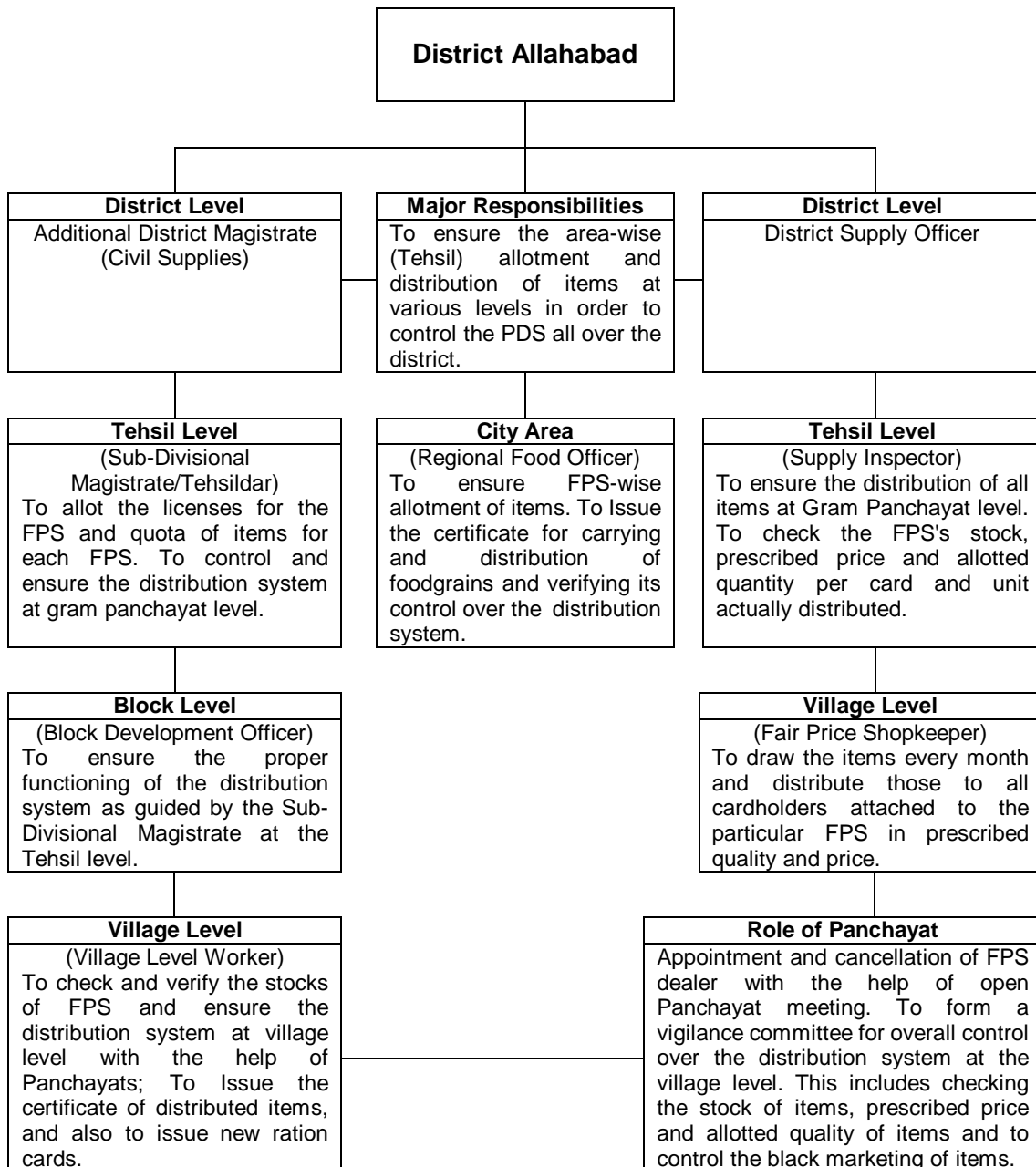
The district administrative set up for the PDS works at three levels in descending order, Tehsil, Block, Village. At the district level, the major responsibility regarding PDS is to ensure area-wise (Tehsil) allotment and distribution of items at various levels in order to control the PDS all over the district. This is ensured jointly by Additional District Magistrate and (ADM, Civil Supply) and District Supply Officer (DSO).

At the Tehsil level, the Sub-Divisional Magistrate (SDM) is responsible for allotment of the license for the FPSs and quota of items for each FPS. The SDM is supposed to control and ensure the distribution system upto the gram panchayat level. The Regional Food Officer (RFO), hierarchically just below DSO, works parallelly with the SDM to ensure FPS-wise allotment of items. The RFO issues the certificate for carrying and distribution of food grains and also verifying its control over the distribution system.

At the Block level, the Block Development Officer (BDO) is assigned to ensure the proper functioning of the distribution network as guided by the SDM at the Tehsil level. The supply Inspector is the bottommost administrative unit/category who works at the village level to ensure the distribution of all items at Gram Panchayat level. The Inspector is supposed to check the FPS's stock of items, allotment of items, quality and price list of items, distribution of items per card etc. The FPS owner/dealer has a compulsion to draw the allotted items every month and distribute the drawn items to the cardholders attached to his FPS in prescribed quantity per head, unadulterated quality and at the price fixed for the said purpose.

To have supervision and vigilance on the system at the village level, there is the (elected) panchayat. The Panchayat can do the appointment and cancellation of licence of any FPS dealer. The Panchayat is also expected to form a vigilance committee for over all control over the distribution system. The village level workers are expected to play a constructive role in the open Panchayat meetings for PDS (Box 4).

Box 4
Administrative Set Up of Supply Department, Government of U.P.(Major Responsibilities of Officials)



3.6 Allotment and Lifting of Items in PDS, District Allahabad, 1998 – 2001

At the level of the district of Allahabad, U.P., we took notice of lifting of items, rice, wheat, sugar, and kerosene, by the FPS dealers vis-à-vis allotment of these items for 1998-2001. While allotment and lifting of rice and wheat are specific to economic categories, BPL and APL, by cardholding, those of sugar and kerosene are general, that is, across categories.

In case of rice for BPL households in the district, lifting as percentage of allotment was cent per cent for 1998-99 and 1999-00, while it fell abruptly in 2000-01. For APL households, lifting of rice by the FPS dealers as percentage of allotment remained below 10.0 per cent for each of the years 1998-99 and 1999-00, while it increased abruptly in 2000-01 (**Table 3.13, Fig. 3.1 & Fig. 3.2**). For wheat the picture is similar for BPL households, cent per cent lifting by FPS dealers for BPL households in 1998-99 and 1999-00 and declining a little the next year. Lifting of wheat for APL households as percentage of allotment remained moderate in 1998-99 as well as in 2000-01, while it came down to a surprisingly low level at 2.5 per cent in 1999-00. While in general, absolute lifting of wheat by FPS dealers for APL households remains low as a trend, we find hardly any reason why allotment of wheat was raised for APL households at the district level. It was, thus, not reduced lifting by FPS dealers but increased allotment by supply authority that explains the very poor lifting as percentage of allotment of wheat for APL households (**Table 3.14, Fig. 3.3 & Fig. 3.4**).

Lifting of sugar by FPS dealers for households, BPL and APL, as percentage of allotment remained high and steady, ranging between 95.0 and 100.0 per cent during 1998-99 to 2000-01 (**Table 3.15 & Fig. 3.5**). For kerosene, lifting as percentage of allotment at the district level for households across categories came to be almost cent per cent (**Table 3.16 & Fig. 3.6**).

Table 3.13
Allotment and Lifting of Rice (in Qt.) by FPS Dealers, District Allahabad, 1998-2001

Year	APL Households			BPL Households		
	Allotment	Lifting	Lifting as %age of Allotment	Allotment	Lifting	Lifting as %age of Allotment
1998-99	23560.0	2328.0	9.8	21180.0	21180.0	100.0
1999-00	77520.0	7883.8	10.2	75850.0	75850.0	100.0
2000-01	480.0	360.0	75.0	147160.0	80390.0	54.6

Source: District Supply Office.

Table 3.14
Allotment and Lifting of Wheat (in Qt.) by FPS Dealers, District Allahabad, 1998-2001

Year	APL Households			BPL Households		
	Allotment	Lifting	Lifting as %age of Allotment	Allotment	Lifting	Lifting as %age of Allotment
1998-99	51440.0	29040.0	56.4	39425.7	39425.7	100.0
1999-00	139480.0	3477.3	2.5	166613.3	166613.3	100.0
2000-01	3000.0	2100.0	70.0	332136.0	278982.2	84.0

Source: District Supply Office.

Table 3.15
Allotment and Lifting of Sugar (in Qt.) by FPS Dealers, District Allahabad, 1998-2001

Year	Allotment	Lifting	Lifting as %age of Allotment
1998-1999	2,31,708.0	2,22,416.0	96.0
1999-2000	2,18,640.0	2,18,640.0	100.0
2000-2001	2,59,290.0	2,45,500.0	94.7

Source: District Supply Office.

Table 3.16
Allotment and Lifting of Kerosene (in K. Lt.) by FPS Dealers, District Allahabad, 1998-2001

Year	Allotment	Lifting	Lifting as %age of Allotment
1998-99	47,278.0	47,067.0	99.5
1999-00	47,296.0	46,752.0	98.8
2000-01	51,296.0	49,638.0	96.8

Source: District Supply Office.

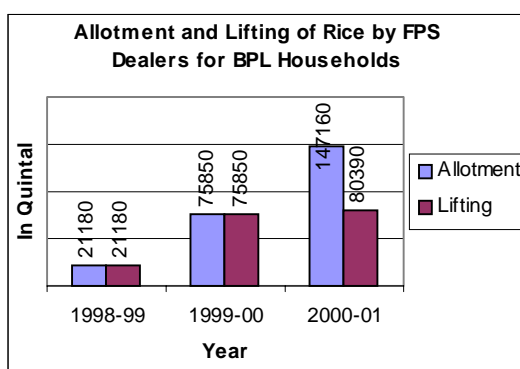


Fig. 3.1

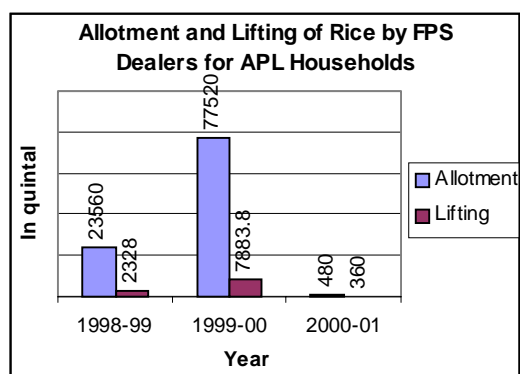


Fig. 3.2

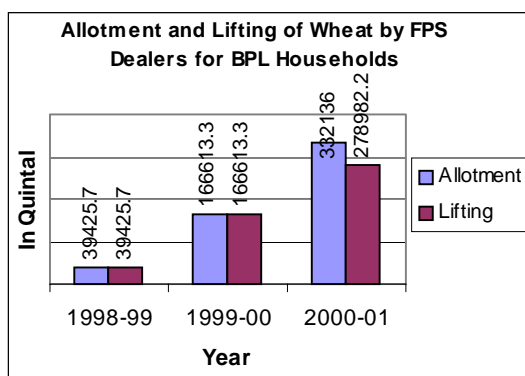


Fig. 3.3

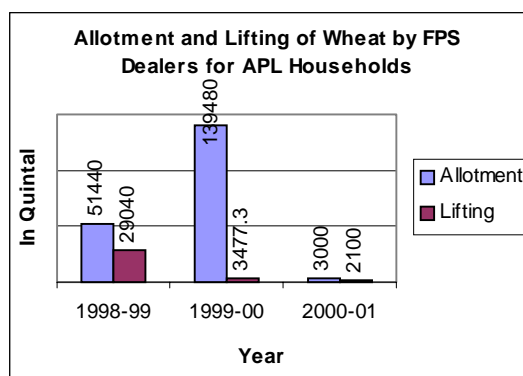


Fig. 3.4

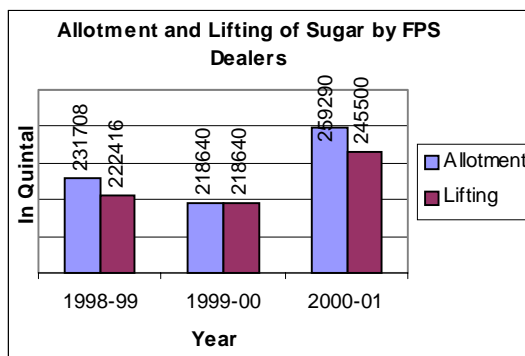


Fig. 3.5

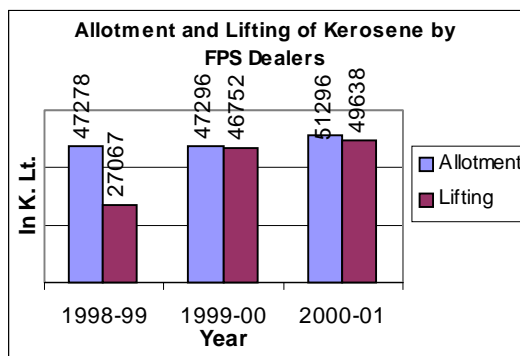


Fig. 3.6

Public Distribution System in the District of Allahabad: The Facts

'When millions of people die in a famine, it is hard to avoid the thought that something terribly criminal is going on' (Dreze, J. and Sen, A., 1989, Hunger and Public Action, Clarendon Press, Oxford, p. 20).

PART - I

4.1 Profile of Sample Households

Variations in the number of total households at village level follow variations in size of population by which three categories of villages were selected. As a corollary, selection of identical number of sample households (50) for each village shows variation as a percentage of total households.

Of the total households in the selected villages, some villages like Rithainya, Semraha Uperhar, Pach Dewra, Dewrikala, Karchhana, Muzffarpur Urf. Bicchia, Fatehpur Kayasthan, Atrampur/Nawabganj, Fatoopur Uperhar, Kanja, and Malak Herher Uperhar are characterized by very low number of BPL households, varying from 5.99 per cent to 15.82 per cent of all households (BPL+APL), while there are villages with very high percentage of BPL households, like Garha with 89.53 percent.

Independent of the inter-village variations in the number of BPL households, we have selected sample BPL households in villages generally more than the number of selected APL households. The villages where more than 50.0 per cent of the 50 households selected belong to the APL category are one-fourth of all villages in number, namely, Rithainya Baragaon, Muzffarpur Urf. Bicchia, Fatehpur Kayasthan, Kanja, and Malak Herher Uperhar. The villages with more of same APL households are also some of the villages where APL households stay more in number.

For the selected Wards in Towns, it is a case of high variation in number of BPL households as percentage of all households, ranging between 4.18 and 9.74. We have selected more of BPL households from each Ward out of a total of 50, with a major exception. It is Ward Number 12 of Bharatganj town (**Table 4.1**).

The selection of more of BPL households follows the objectives of the study. Therefore, it is purposively done.

The households studied in the rural region of 4 blocks taken together constitute 7.5 per cent of all households in those rural Blocks. The households studied in the urban region of 2 Towns taken together constitute 16.9 per cent of all households in those urban areas. As a whole, for rural and urban regions, by selection of households, it becomes 8.2 per cent of all households in the total Sample region (rural + urban).

Table 4.1
Village/Ward-wise Distribution of Households

Name of Village/Ward	Sample Households			Total Households		
	BPL	APL	Total	BPL	APL	Total
Janwan	40	10	50	344 (53.7)	296	640
Golhaiya	32	18	50	155 (52.5)	140	295
Garha	41	9	50	496 (89.5)	58	554
Sheorajpur	32	18	50	302 (76.6)	92	394
Sidhtikar	37	13	50	366 (60.6)	238	604
Lohgara	38	12	50	325 (29.2)	787	1112
Rithainya	16	34	50	60 (11.0)	485	545
Semraha Uperhar	30	20	50	50 (15.8)	266	316
Pach Dewra	27	23	50	52 (14.5)	307	359
Dewri Kala	34	16	50	110 (14.3)	659	769
Karchhana	26	24	50	95 (9.6)	895	990
Bhatauli	25	25	50	155 (9.6)	660	815
Baragaon	13	37	50	140 (30.4)	320	460
Mahuwa Kothi	35	15	50	211 (40.3)	312	523
Motiha	34	16	50	194 (40.9)	280	474
Jogapur	40	10	50	191 (41.4)	270	461
Osepur	30	20	50	339 (40.8)	492	831
Dusaoti	44	6	50	350 (53.8)	300	650
Muzffarpur Urf. Bichhia	5	45	50	77 (9.3)	750	827
Fatehpur Kayasthan	21	29	50	60 (11.4)	465	525
Atrampur/ Nawabganj	33	17	50	90 (6.0)	1412	1502
Fatopur Uperhar	25	25	50	52 (17.5)	245	297
Kanjia	24	26	50	122 (12.5)	850	972
Malak Herher Uperhar	23	27	50	88 (8.6)	939	1027
Ward No. 3 (Phulpur)	35	15	50	99 (27.6)	259	358
Ward No. 12 (Phulpur)*	24	26	50	17 (4.2)	389	406
Ward No. 1 (Bharatganj)	44	6	50	189 (91.7)	17	206
Ward No. 12 (Bharatganj)	15	35	50	25 (11.9)	185	210

Note: *Sample figure is higher than total number of BPL, because some influential people got BPL cards and the record was not maintained by the Supply Office.

Figures in parentheses show BPL households as percentage of total households.

Source: District Supply Office of Allahabad, September 2000.

The sample rural households constitute 0.1 per cent of all rural households in the District (Universe) and the sample urban households constitute 0.06 per cent of all urban households in the District. As a whole, for rural and urban regions taken together it becomes 0.1 per cent.

In the sample households studied, BPL households selected constitutes 15.9 per cent of all rural BPL households in existence, and APL households selected constitutes 4.3 per cent of all APL households in existence in rural region. BPL households selected in rural region as a percentage of all households (BPL+APL) constitute 58.75 per cent. For urban areas, BPL households selected constitute 35.8 per cent of all urban BPL households in existence, and APL households selected constitute 9.6 per cent of all APL households in the urban areas of the District. The percentages for selected BPL and APL households for the whole selected sample (Rural+Urban) are 17.3 and 4.7 respectively.

Table 4.2
Distribution of Households on the Basis of Sample and Universe

Block/Town	Sample Households						Universe Households					
	Selected			Total			Sample			Total		
	BPL	APL	Total	BPL	APL	Total	BPL	APL	Total	BPL	APL	Total
Shankargarh	220 (11.1)	80 (5.0)	300 (8.3)	1988 (100.0)	1611 (100.0)	3599 (100.0)	220 (1.4)	80 (0.5)	300 (0.9)	15184 (100.0)	16798 (100.0)	31982 (100.0)
Karchhana	158 (30.5)	142 (4.3)	300 (7.9)	522 (100.0)	3272 (100.0)	3794 (100.0)	158 (2.3)	142 (0.3)	300 (0.6)	6678 (100.0)	41968 (100.0)	48646 (100.0)
Saidabad	196 (13.8)	104 (5.5)	300 (8.8)	1425 (100.0)	1874 (100.0)	3399 (100.0)	196 (0.9)	104 (0.3)	300 (0.6)	21417 (100.0)	30127 (100.0)	51544 (100.0)
Kaurihar	131 (26.8)	169 (3.6)	300 (5.8)	489 (100.0)	4661 (100.0)	5150 (100.0)	131 (2.3)	169 (0.4)	300 (0.7)	5690 (100.0)	39398 (100.0)	45088 (100.0)
Total Rural	705 (15.9)	495 (4.3)	1200 (7.5)	4424 (100.0)	11418 (100.0)	15942 (100.0)	705 (0.4)	495 (0.1)	1200 (0.1)	188279 (100.0)	719225 (100.0)	907504 (100.0)
Phulpur	59 (50.9)	41 (6.3)	100 (13.1)	116 (100.0)	648 (100.0)	764 (100.0)	59 (10.0)	41 (1.0)	100 (2.2)	590 (100.0)	4012 (100.0)	4602 (100.0)
Bharatganj	59 (27.6)	41 (20.3)	100 (24.0)	214 (100.0)	202 (100.0)	416 (100.0)	59 (8.6)	41 (1.3)	100.0 (2.5)	685 (100.0)	3253 (100.0)	3938 (100.0)
Total Urban	118 (35.8)	82 (9.6)	200 (16.9)	330 (100.0)	850 (100.0)	1180 (100.0)	118 (1.1)	82 (0.02)	200 (0.06)	11112 (100.0)	299109 (100.0)	310221 (100.0)
Grand Total	823 (17.3)	577 (4.7)	1400 (8.2)	4754 (100.0)	12268 (100.0)	17122 (100.0)	823 (0.4)	577 (0.1)	1400 (0.1)	199391 (100.0)	1018334 (100.0)	1217725 (100.0)

Source: District Supply Office of Allahabad, November 2000.

There are inter-Block variations in selection of BPL households drawn from all BPL households in the respective Blocks, the variations ranging from 11.1 per cent to 30.5 per cent. The same is true for BPL households in urban areas selected from total urban BPL households. The total BPL and APL households taken in the denominator for calculation of percentage figure correspond to that from sample Blocks and Towns mentioned (**Table 4.2**).

Of the total cardholders in rural areas, BPL households cover 57.8 per cent and APL households cover 41.2 per cent, the rest being covered by card-less households. The cardless households constitute only 1.0 per cent of the sample households drawn in rural region of the district.

We got names of households in the list maintained by the State Supply Office, all supposedly with cards, but while in Field we found card-less cases. We did not hesitate to interview these card-less households. **As we understand, there may be a number of reasons for non-availability of cards, like the possibility that cards were actually prepared but not allotted. The other possibility may be that cards were prepared, and allotted to wrong households, say, a few cards meant for BPL households actually allotted to the APL households.**

For the urban areas, BPL households constitute 59.0 per cent of the sample total, while APL households cover the rest. We did not find any case of cardless households in the urban areas chosen for study.

In totality, for both rural and urban areas studied, BPL families constitute 58.0 per cent

while APL households constitute 41.2 per cent, card-less case as percentage of total (Rural+Urban) standing at 0.8 (**Table 4.3 & Fig. 4.1**).

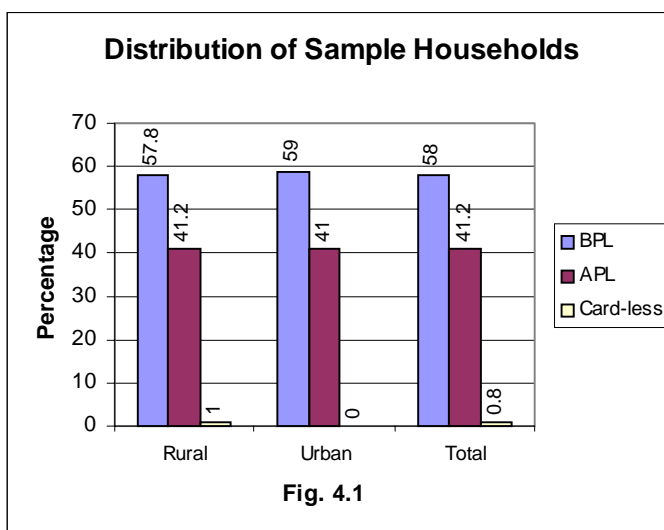


Table 4.3
Distribution of Sample Households

Category	Rural	Urban	Total
BPL	694 (57.8)	118 (59.0)	812 (58.0)
APL	495 (41.2)	82 (41.0)	577 (41.2)
Card-less	11 (1.0)	-	11 (0.8)
Total	1200 (100.0)	200 (100.0)	1400 (100.0)

Source: Field survey.

4.2 Profile of Households in the Sample

(a) Gender-wise Classification

Of the total respondents in BPL (812) out of the total households (1400), 89.2 per cent is constituted by male and 10.8 by female population. Of the total respondents in APL (577), 91.7 per cent comes from male, 8.3 per cent from female. The gap is explained by card-less categories of male and female respondents constituting a total of 11 out of 1400. In its totality (BPL+APL+Card-less) thus male respondents constituted 90.1 per cent and female 9.9 per cent. There are inter-block and inter-town variations in the percentages of respondents by gender category. These variations are also explained on the economic horizon of BPL and APL classifications of respondents (**Table 4.4**).

Table 4.4
Gender-wise Distribution of Households

Block/Town	Categories	Households		
		Male	Female	Total
Shankargarh	BPL	196	17	213
	APL	77	3	80
	Card-less	6	1	7
	Total	279 (93.0)	21 (7.0)	300 (100.0)
Karchhana	BPL	137	17	154
	APL	133	9	142
	Card-less	3	1	4
	Total	273 (91.0)	27 (9.0)	300 (100.0)
Saidabad	BPL	172	24	196
	APL	95	9	104
	Total	267 (89.0)	33 (11.0)	300 (100.0)
Kaurihar	BPL	118	13	131
	APL	150	19	169
	Total	268 (89.3)	32 (10.7)	300 (100.0)
Phulpur	BPL	43	16	59
	APL	37	4	41
	Total	80 (80.0)	20 (20.0)	100 (100.0)
Bharatganj	BPL	58	1	59
	APL	37	4	41
	Total	95 (95.0)	5 (5.0)	100 (100.0)
Total	BPL	724 (89.2)	88 (10.8)	812 (100.0)
	APL	529 (91.7)	48 (8.3)	577 (100.0)
	Card-less	9 (81.8)	2 (18.2)	11 (100.0)
	Total	1262 (90.1)	138 (9.9)	1400 (100.0)

Source: Field survey.

(b) Caste-wise Classification

Of the total respondents in BPL (812) out of the total households (1400), SC constituted 75.7 per cent and general category constituted only 2.7 per cent. Of the total respondents in APL (577), SC constituted 37.3 per cent. Of the SC total respondents (841), BPL category covers 73.12 per cent. Excepting SC category, that too in rural areas, there is no report of card-less cases. Such card-less cases are only 11 out of a total of 1400 households studied in the rural Blocks and towns. There are inter-block and inter-town variations in percentage of SC category in BPL and APL. Similarly, there are inter-Block and inter-town variations in BPL and APL categories covered by SC population, and other caste groups (Table 4.5).

Table 4.5
Caste-wise Distribution of Households

Block/Town	Categories	SC	OBC	General	Minority	Total
Shankargarh	BPL	194	16	3	-	213
	APL	21	23	36	-	80
	Card-less	7	-	-	-	7
	Total	222 (74.0)	39 (13.0)	39 (13.0)	-	300 (100.0)
Karchhana	BPL	85	50	14	5	154
	APL	37	53	35	17	142
	Card-less	4	-	-	-	4
	Total	126 (42.0)	103 (34.3)	49 (16.3)	22 (73.0)	300 (100.0)
Saidabad	BPL	122	54	-	20	196
	APL	30	53	1	20	104
	Total	152 (50.7)	107 (35.7)	1 (0.3)	40 (13.3)	300 (100.0)
Kaurihar	BPL	114	15	1	1	131
	APL	101	58	1	9	169
	Total	215 (71.7)	73 (24.3)	2 (0.7)	10 (3.3)	300 (100.0)
Phulpur	BPL	47	-	1	11	59
	APL	19	-	-	22	41
	Total	66 (66.0)	-	1 (1.0)	33 (33.0)	100 (100.0)
Bharatganj	BPL	53	3	3	-	59
	APL	7	10	24	-	41
	Total	60 (60.0)	13 (13.0)	27 (27.0)	-	100 (100.0)
Rural (Total)	BPL	515	135	18	26	694
	APL	189	187	73	46	495
	Card-less	11	-	-	-	11
	Total	715 (59.6)	322 (26.8)	91 (7.6)	72 (6.0)	1200 (100.0)
Urban (Total)	BPL	100	3	4	11	118
	APL	26	10	24	22	82
	Total	126 (63.0)	13 (6.5)	28 (14.0)	33 (16.5)	200 (100.0)
Total (Rural + Urban)	BPL	615 (75.7)	138 (17.0)	22 (2.7)	37 (4.6)	812 (100.0)
	APL	215 (37.3)	197 (34.1)	97 (16.8)	68 (11.8)	577 (100.0)
	Card-less	11 (100.0)	-	-	-	11 (100.0)
	Total	841 (60.1)	335 (23.9)	119 (8.5)	105 (7.5)	1400 (100.0)

Source: Field survey.

(c) Education-wise Classification

Of the total respondents in BPL (812), 62.3 per cent are illiterate and 7.9 per cent are nominally literate (below Primary level) so that 70.2 per cent of BPL households can not be expected to be aware of many of the visible dimensions of the PDS. This includes reading, for example, the price list of items etc. Of the total respondents in APL (577), as high as 40.9 per cent are illiterate and 8.3 percent are nominally literate (below Primary level), so that nearly half of total APL households (as respondents) can not be expected to participate in a functionally useful way in the PDS network. This is in spite of the fact that the APL households are supposed to be economically well off (in terms of income). Of the total (11) card-less cases in the rural Blocks, a total of 8 (72.7 per cent) comes from the illiterate category; there is no card-less case reported for respondents with educational status of high school and above (Table 4.6).

Table 4.6
Education-wise Distribution of Households

Block/Town	Categories	1	2	3	4	5	6	7	Total
Shankargarh	BPL	167	16	10	8	8	4	-	213
	APL	27	8	9	11	9	11	5	80
	Card-less	5	-	1	1	-	-	-	7
	Total	199 (66.3)	24 (8.0)	20 (6.7)	20 (6.7)	17 (5.7)	15 (5.0)	5 (1.7)	300 (100.0)
Karchhana	BPL	75	10	21	16	18	10	4	154
	APL	48	12	21	17	21	16	7	142
	Card-less	3	1	-	-	-	-	-	4
	Total	126 (42.0)	23 (7.7)	42 (14.0)	33 (11.0)	39 (13.0)	26 (8.7)	11 (3.7)	300 (100.0)
Saidabad	BPL	117	14	18	15	21	7	4	196
	APL	32	11	10	15	17	10	9	104
	Total	149 (49.7)	25 (8.3)	28 (9.3)	30 (10.0)	38 (12.7)	17 (5.7)	13 (4.0)	300 (100.0)
Kaurihar	BPL	92	12	11	9	4	3	-	131
	APL	105	10	13	16	15	4	6	169
	Total	197 (65.7)	22 (7.3)	24 (8.0)	25 (8.3)	19 (6.3)	7 (2.3)	6 (2.0)	300 (100.0)
Phulpur	BPL	40	6	3	4	2	3	1	59
	APL	15	6	5	4	6	1	4	41
	Total	55 (55.0)	12 (12.0)	8 (8.0)	8 (8.0)	8 (8.0)	4 (4.0)	5 (5.0)	100 (100.0)
Bharatganj	BPL	15	6	6	11	10	6	5	59
	APL	9	1	3	7	11	4	6	41
	Total	24 (24.0)	7 (7.0)	9 (9.0)	18 (18.0)	21 (21.0)	10 (10.0)	11 (10.0)	100 (100.0)
Total	BPL	506 (62.3)	64 (7.9)	69 (8.5)	63 (7.7)	63 (7.7)	33 (4.1)	14 (1.6)	812 (100.0)
	APL	236 (40.9)	48 (8.3)	61 (10.6)	70 (12.1)	79 (13.7)	46 (8.0)	37 (6.2)	577 (100.0)
	Card-less	8 (72.7)	1 (9.1)	1 (9.1)	1 (9.1)	-	-	-	11 (100.0)
	Total	750 (53.6)	113 (8.1)	131 (9.4)	134 (9.6)	142 (10.1)	79 (5.6)	51 (3.5)	1400 (100.0)

Note: 1=Illiterate, 2=Literate, 3=Primary, 4=Middle, 5=High School, 6=Intermediate, and 7=Higher Education.

Source: Field survey.

(d) Occupation-wise Classification

Of the 812 BPL respondents, 51.5 per cent work as non-agricultural labour while 17.1 per cent are engaged as agricultural labour. Thus, most of the BPL households are labourers, engaged in agriculture and non-agricultural activities. Of the 577 APL respondents, as high as 30.7 per cent are engaged in agriculture as cultivators while 23.2 per cent work as non-agricultural labourers. BPL and APL households taken together, 39.9 per cent of all are as non-agricultural labourers. For both BPL and APL categories, the three occupations, namely as agricultural cultivators, agricultural labourers, and non-agricultural labourers, constitute 71.60 per cent of all occupations recorded for 1400 households studied. There are, however, inter-block and inter-town and between Blocks and Towns, variations in percentage of households engaged in agricultural (as cultivators and labourers) and non-agricultural activities (like non-agricultural labour, government service etc.) **(Table 4.7)**.

(e) Occupation-cum-Employment Structure of Households in the Sample

The occupational structure of the households (1400) shows as high as 8.6 per cent involved in more than one occupation. Thus, we get really 1520 households in the occupation category. The households engaged as agricultural cultivators constitute 65.4 per cent of the total employment of households (387) in a single sector (Agriculture). The households identified as individuals engaged as agricultural cultivator also work in industry/services/other sectors. The second category that absorbs more of the occupations by engagement is agricultural labourers. The households engaged as agricultural labourers in a single sector, agriculture, constitute 28.9 per cent of the total employment in agriculture. Since the economic activities in the sample households essentially belong to agriculture and allied activities, so the extent of unemployment is as low as 0.6 per cent of all households involved in a single sector **(Table 4.8)**. In terms of time spent, agriculture constitutes 61.7 per cent of the total time spent (employment) on all occupations recorded for the sample households, the second ranked being that of non-agricultural labourers at 17.5 per cent. However, if the occupation is identified by income, then the service sector (private service as well as government service) accounts for the most. The households engaged in services earn more than 40.0 per cent in each of private service and government service. The households while employed in agriculture earn around 20.0 per cent of their income while these same individuals earn around the same while they are in each of private service and government service **(Table 4.9)**. **It is thus a mixture of occupations by time-spent and income earned for the rural households. Though by time-spent, agriculture (cultivators and agricultural labourers) is the dominant activity for the sample households, in terms of income-earned there are sharp differences across activities.**

Table 4.7
Occupation-wise Distribution of Households

Block/Town	Categories	1	2	3	4	5	6	7	8	9	10	11	Total
Shankargarh	BPL	15	1	171	3	-	4	2	1	15	-	1	213
	APL	39	-	16	3	5	7	2	3	4	-	1	80
	Card-less	-	2	4	-	-	-	-	-	-	-	1	7
	Total	54 (18.0)	3 (1.0)	191 (63.7)	6 (2.0)	5 (1.7)	11 (3.7)	4 (1.3)	4 (1.3)	19 (6.5)	-	3 (1.0)	300 (100.0)
Karchhana	BPL	18	61	44	1	1	7	6	3	12	1	-	154
	APL	46	16	25	13	9	12	6	2	10	3	-	142
	Card-less	-	1	3	-	-	-	-	-	-	-	-	4
	Total	64 (21.3)	78 (26.0)	72 (24.0)	14 (4.8)	10 (3.3)	19 (6.3)	12 (4.0)	5 (1.7)	22 (7.3)	4 (1.3)	-	300 (100.0)
Saidabad	BPL	37	39	55	5	2	10	30	2	12	-	4	196
	APL	49	6	13	8	8	1	11	2	5	1	-	104
	Total	86 (28.7)	45 (15.0)	68 (22.7)	13 (4.3)	10 (3.3)	11 (3.7)	41 (13.7)	4 (1.3)	17 (5.7)	1 (0.3)	4 (1.3)	300 (100.0)
Kaurihar	BPL	6	31	86	-	-	-	-	-	7	-	1	131
	APL	40	24	70	2	3	8	5	6	9	1	1	169
	Total	46 (15.3)	55 (18.3)	156 (52.0)	2 (0.7)	3 (1.0)	8 (2.7)	5 (1.7)	6 (2.0)	16 (5.3)	1 (0.3)	2 (0.7)	300 (100.0)
Phulpur	BPL	-	4	28	1	-	5	13	3	5	-	-	59
	APL	3	1	7	3	4	8	10	1	4	-	-	41
	Total	3 (3.0)	5 (5.0)	35 (35.0)	4 (4.0)	4 (4.0)	13 (13.0)	23 (23.0)	4 (4.0)	9 (9.0)	-	-	100 (100.0)
Bharatganj	BPL	2	3	34	4	1	4	1	-	10	-	-	59
	APL	-	-	3	2	2	28	-	1	5	-	-	41
	Total	2 (2.0)	3 (3.0)	37 (37.0)	6 (6.0)	3 (3.0)	32 (32.0)	1 (1.0)	1 (1.0)	15 (15.0)	-	-	100 (100.0)
Total	BPL	78 (9.6)	139 (17.1)	418 (51.5)	14 (1.7)	4 (0.5)	30 (3.7)	52 (6.4)	9 (1.1)	61 (7.5)	1 (0.1)	6 (0.6)	812 (100.0)
	APL	177 (30.7)	47 (8.1)	134 (23.2)	31 (5.4)	31 (5.4)	64 (11.1)	34 (5.9)	15 (2.6)	37 (6.4)	5 (0.9)	2 (0.3)	577 (100.0)
	Card-less	-	3 (27.3)	7 (63.6)	-	-	-	-	-	-	-	1 (9.1)	11 (100.0)
	Total	255 (18.2)	189 (18.5)	559 (39.9)	45 (3.2)	35 (2.5)	94 (6.7)	86 (6.1)	24 (1.7)	98 (7.0)	6 (0.4)	9 (0.6)	1400 (100.0)

Note: 1=Agriculture, 2=Agricultural labour, 3=Non-agricultural labour, 4=Private service, 5=Govt. service, 6=Small business, 7=Artisans, 8=Housewives, 9=Students, 10=Unemployed, and 11=Others (Pujari (Prist), Sapera (Snake Charmers), Washerman and etc.)

Source: Field survey.

Table 4.8
Occupational Structure of Households

Occupations	Agriculture	Industry	Services	Other Sectors	Total
Agricultural Cultivators	253 (65.4)	5 (13.5)	20 (21.5)	18 (2.0)	296 (21.1)
Agricultural Labour	112 (28.9)	3 (8.1)	3 (3.2)	89 (10.1)	207 (14.8)
Non-Agricultural Labour	22 (5.7)	18 (48.6)	1 (1.1)	531 (60.1)	572 (40.9)
Private Service	1 (0.3)	2 (5.4)	42 (45.2)	6 (0.7)	51 (3.6)
Government Service	9 (2.3)	1 (2.7)	34 (36.6)	1 (0.1)	45 (3.2)
Small Business	4 (1.0)	2 (5.4)	4 (4.3)	94 (10.6)	104 (7.4)
Artisan	6 (1.6)	15 (40.5)	3 (3.2)	70 (7.9)	94 (6.7)
Housewives	9 (2.3)	-	4 (4.3)	13 (1.5)	26 (1.9)
Students	3 (0.8)	-	1 (1.1)	3 (0.3)	7 (0.5)
Unemployed	1 (0.3)	-	2 (2.2)	5 (0.6)	8 (0.6)
Others	17 (4.4)	1 (2.7)	10 (10.6)	82 (9.3)	110 (7.9)
Total	437 (112.9)	47 (127.0)	124 (133.3)	912 (103.3)	1520 (108.6)
Involved in more than one sector*	50 (12.9)	10 (27.0)	31 (33.3)	29 (3.3)	120 (8.6)
households involved in a single sector	387 (100.0)	37 (100.0)	93 (100.0)	883 (100.0)	1400 (100.0)

Note: * These households are involved in more than one occupation and they are earning from more than one sector.

Source: Field survey.

Table 4.9
Income and Employment Structure of Households in Terms of Income and Time Categories

Sector/ Occupation	1	2	3	4	5	6	7	Total
In Terms of Income								
Cultivators	10 (20.0)	5 (10.0)	3 (6.0)	10 (20.0)	11 (22.0)	4 (8.0)	7 (14.0)	50 (100.0)
Industry	2 (20.0)	-	2 (20.0)	-	-	1 (10.0)	5 (50.0)	10 (100.0)
Services	4 (12.9)	-	-	13 (41.9)	14 (45.2)	-	-	31 (100.0)
Others*	7 (24.1)	5 (17.2)	1 (3.4)	4 (13.8)	3 (10.3)	6 (20.7)	3 (10.3)	29 (100.0)
Total	23 (19.2)	10 (8.3)	6 (5.0)	27 (22.5)	28 (23.3)	11 (9.2)	15 (12.5)	120 (100.0)
In Terms of Time Spent								
Cultivators	37 (72.0)	2 (4.0)	5 (10.0)	2 (4.0)	1 (2.0)	1 (2.0)	2 (4.0)	50 (100.0)
Industry	4 (40.0)	2 (20.0)	3 (30.0)	-	-	-	1 (10.0)	10 (100.0)
Services	21 (67.7)	1 (3.2)	3 (9.7)	2 (6.4)	1 (3.2)	1 (3.2)	2 (6.4)	31 (100.0)
Others*	12 (41.4)	1 (3.4)	10 (34.5)	1 (3.4)	-	2 (6.9)	3 (10.3)	29 (100.0)
Total	74 (61.7)	6 (5.0)	21 (17.5)	5 (4.2)	2 (1.7)	4 (3.4)	8 (6.7)	120 (100.0)

Note: 1=Cultivators, 2=Agricultural labour, 3=Non-Agricultural Labour, 4=Private Service, 5=Government Service, 6=Small Business & 7=Artisan.

* (Non-agricultural labour, Artisan, Small Shops, Doctor (Unregistered), Weaver, Washerman, Driver, Madari (Snake charmer), Purohit (Priest), Band Master etc.

Source: Field survey.

4.3 Profile of Population in the Sample

(a) Distribution of Sample Population by Social (Caste and Gender) Categories

Of the population (7073) covered in the Sample for study of PDS in the Allahabad district, 57.3 per cent is constituted by SC, 25.2 per cent OBC, 8.6 per cent minority. The general caste category is constituted by only 8.9 per cent. There are inter-block variations in percentage chosen from among caste categories, the variations ranging from the lowest in Karchhana Block at 38.8 per cent to 74.1 per cent in Sankargarh for SC category. For Kaurihar, the SC percentage in the sample population is 71.0 while in Saidabad Block it is 47.4 per cent. For town areas, Phulpur and Bharatganj, the SC percentages lay in between the maximum and minimum for the rural blocks; for Phulpur, the percentage is 59.5 while for Bharatganj it is 56.0 per cent. Distributed over gender categories, the total sample population is 52:48 for male and female. The SC population carved out from this sample is distributed exactly in the same ratio, 52:48, as the total sample population. Of total male number in the sample male population, SC constitutes 57.0 per cent, the same percentage holds good for the total female number in the SC category out of total female sample population, which is 57.6 per cent. There are, however, inter-Block variations in distribution of population, caste-wise and gender-wise, and gender-wise within a particular caste (**Table 4.10**).

(b) Distribution of Sample Population by Economic (Income and Occupation) Categories

For distribution of cards by economic categories, BPL and APL, an income of Rs. 11,000 per annum per household has been accepted (as per the approval of the Eighth Plan, 1992-1997, by the Planning Commission, Govt. of India) as the cut off line. Below this income per annum, households would be entitled to BPL cards, and above this income, APL cards.

Of the total number of households (1400) surveyed in 24 villages and two towns, we got 52.8 per cent households with income less than Rs. 11,000 and 33.0 per cent households with income less than Rs. 9,000 (The latter has been taken by the Supply Dept., Govt. of U.P. as the upper limit income for identification of BPL families, as per GO of U.P. No. 437/29-Khadya-Desc-I-I(9/97). Of the total households with income less than Rs 11,000, BPL cardholders constituted 79.56 per cent, while APL cardholders constituted 19.07 per cent, the rest 1.37 per cent explained by card-less cases. Of the total population in the sample (7073), the percentage of population below income category of Rs. 11,000 covered 47.85 per cent. Of the total households (1400), BPL households by cardholding constituted 58.0 per cent and APL households constituted 41.21 per cent, the rest 0.78 per cent explained by card-less cases. Of the total sample population (7073), BPL constituted 56.78 per cent and APL constituted 42.69 per cent, the rest 0.52 per cent explained by card-less cases. The households with income more than Rs. 11,000 per Household per month enjoy BPL cards also. Of the total households with income above Rs. 11,000, BPL cardholding households constituted 33.88 per cent. Of the total households with BPL Cards (812), households with

income less than Rs. 11,000 is 72.41 per cent, implying that 27.59 per cent of households with income more than Rs. 11,000 held BPL cards. In other words, one fourth of APL households by income (economic) category got entitlement to BPL cards (by error or by wrong decision or other administrative failure). What is more serious is that the income-poor (income less than Rs. 11,000 per year per household) households had to have APL cards. Of the total APL cards (577), such BPL families got 24.43 per cent. The APL households who got APL cards thus constituted three-fourth of what they should have received (**Table 4.11 & Fig. 4.2**). There are inter-block and inter-town variations in distribution of cards, BPL and APL, among respective income-categories of population and households (**Tables 4.12, 4.13**).

Table 4.10
Gender and Caste-wise Distribution of Sample Population

Block/Town	Gender	SC	OBC	General	Minority	Total
Shankargarh	Male	566	99	98	-	763
	Female	491	85	88	-	664
	Children (<5 yrs.)	199	35	24	-	258
	Total	1057 (74.1)	184 (12.9)	186 (13.0)	-	1427 (100.0)
Karchhana	Male	318	275	158	64	815
	Female	278	273	121	48	720
	Children (<5 yrs.)	120	98	37	14	269
	Total	596 (38.8)	548 (35.7)	285 (18.6)	112 (7.9)	1535 (100.0)
Saidabad	Male	391	305	3	137	836
	Female	384	297	3	116	800
	Children (<5 yrs.)	148	108	1	39	296
	Total	775 (47.4)	602 (36.8)	6 (0.3)	253 (15.5)	1636 (100.0)
Kaurihar	Male	526	206	3	20	755
	Female	514	172	2	21	709
	Children (<5 yrs.)	170	61	-	4	235
	Total	1040 (71.0)	378 (25.8)	5 (0.4)	41 (2.8)	1464 (100.0)
Phulpur	Male	158	-	1	111	270
	Female	146	-	3	92	241
	Children (<5 yrs.)	37	-	-	31	68
	Total	304 (59.5)	-	4 (0.8)	203 (39.7)	511 (100.0)
Bharatganj	Male	155	36	81	-	272
	Female	125	32	71	-	228
	Children (<5 yrs.)	67	8	25	-	100
	Total	280 (56.0)	68 (13.6)	152 (30.4)	-	500 (100.0)
Total	Male	2114 (57.0)	921 (24.8)	344 (9.3)	332 (8.9)	3711 (100.0)
	Female	1938 (57.6)	859 (25.6)	288 (8.2)	277 (8.2)	3362 (100.0)
	Children (<5 yrs.)	741 (50.4)	310 (25.3)	87 (7.2)	88 (7.2)	1226 (100.0)
	Total	4052 (57.3)	1780 (25.2)	632 (8.9)	609 (8.6)	7073 (100.0)

Note: Children have been included in gender (male and female) figures.

Source: Field survey.

Table 4.11
Income-wise Distribution of Sample Households and Population at District Level

Income in Rs. (Yearly)	Sample Households				Population			
	BPL	APL	Card-less	Total	BPL	APL	Card-less	Total
Below 5,000	87 (10.7)	17 (2.9)	2 (18.2)	106 (7.6)	275 (6.8)	46 (1.6)	2 (5.4)	323 (4.5)
5,000 - 9,000	296 (36.5)	50 (8.6)	8 (72.7)	354 (25.4)	1318 (32.8)	183 (6.0)	31 (83.8)	1532 (21.7)
9,001 - 11,000	205 (25.2)	74 (12.8)	-	279 (19.8)	1172 (29.2)	358 (11.8)	-	1530 (21.7)
11,001 - 15,000	172 (21.2)	160 (27.8)	1 (9.1)	333 (23.8)	944 (23.6)	829 (27.5)	4 (10.8)	1777 (25.2)
15,001 - 20,000	30 (3.7)	113 (19.6)	-	143 (10.3)	187 (4.6)	560 (18.5)	-	747 (10.5)
Above 20,000	22 (2.7)	163 (28.3)	-	185 (13.1)	120 (3.0)	1044 (34.6)	-	1164 (16.4)
Total	812 (100.0)	577 (100.0)	11 (100.0)	1400 (100.0)	4016 (100.0)	3020 (100.0)	37 (100.0)	7073 (100.0)

Source: Field survey.

Table 4.12
Income-wise Distribution of Sample Population at Block Level

Block/Town	Categories	1	2	3	4	5	6	Total
Shankargarh	BPL	21	348	266	303	54	22	1014
	APL	-	7	2	122	106	148	385
	Card-less	-	24	-	4	-	-	28
	Total	21 (1.5)	379 (26.5)	268 (18.8)	429 (30.0)	160 (11.2)	170 (4.9)	1427 (100.0)
Karchhana	BPL	26	333	155	215	24	37	790
	APL	-	37	43	238	153	265	736
	Card-less	2	7	-	-	-	-	9
	Total	28 (1.8)	377 (24.6)	198 (12.9)	453 (29.5)	177 (11.5)	302 (19.7)	1535 (100.0)
Saidabad	BPL	119	314	275	179	82	42	1011
	APL	3	25	53	131	123	290	625
	Total	122 (7.5)	339 (20.7)	328 (20.0)	310 (18.9)	205 (12.5)	332 (20.4)	1636 (100.0)
Kaurihar	BPL	74	188	305	65	-	8	640
	APL	35	77	209	273	112	118	824
	Total	109 (7.4)	265 (18.1)	514 (35.1)	338 (23.1)	112 (7.7)	126 (8.6)	1464 (100.0)
Phulpur	BPL	35	123	91	46	-	-	295
	APL	8	26	44	45	35	58	216
	Total	43 (8.4)	149 (29.2)	135 (26.4)	91 (17.8)	35 (6.8)	58 (11.4)	511 (100.0)
Bharatganj	BPL	-	12	80	136	27	11	266
	APL	-	11	7	20	31	165	234
	Total	-	23 (4.6)	87 (17.4)	156 (31.2)	58 (11.6)	176 (35.2)	500 (100.0)
Total	BPL	275 (6.8)	1318 (32.8)	1172 (29.2)	944 (23.5)	187 (4.7)	120 (3.9)	4016 (100.0)
	APL	46 (1.5)	183 (6.1)	358 (11.8)	829 (27.5)	560 (18.5)	1044 (34.6)	3020 (100.0)
	Card-less	2 (5.4)	31 (83.8)	-	4 (10.8)	-	-	37 (100.0)
	Total	323 (4.6)	1532 (21.7)	1530 (21.6)	1777 (25.1)	747 (10.6)	1164 (16.5)	7073 (100.0)

Note: Income in Rs. (Yearly) 1=Below 5000, 2=5000-9000, 3=9001-11000, 4=11001-15000, 5=15001-20000, and 6=Above 20000.

Source: Field survey.

Table 4.13
Income-wise Distribution of Households at Block Level

Block/Town	Categories	BPL*			APL			Total		Total
		1	2	3	4	5	6	BPL	APL	
Shankargarh	BPL	7	85	50	58	10	3	142	71	213
	APL	-	2	1	29	22	26	3	77	80
	Card-less	-	6	-	1	-	-	6	1	7
	Total	7 (2.3)	93 (31.0)	51 (17.0)	88 (29.3)	32 (10.7)	29 (9.7)	151 (50.3)	149 (49.7)	300 (100.0)
Karchhana	BPL	11	68	27	37	4	7	106	48	154
	APL	-	13	10	42	33	44	23	119	142
	Card-less	2	2	-	-	-	-	4	-	4
	Total	13 (4.3)	83 (27.7)	37 (12.3)	79 (26.3)	37 (12.3)	51 (17)	133 (44.3)	167 (55.7)	300 (100.0)
Saidabad	BPL	38	64	47	30	10	7	149	47	196
	APL	1	7	11	25	20	40	19	85	104
	Total	39 (13.0)	71 (23.7)	58 (19.3)	55 (18.3)	30 (10.0)	47 (15.7)	168 (56.0)	144 (48.0)	300 (100.0)
Kaurihar	BPL	22	46	50	11	-	2	118	13	131
	APL	14	20	45	52	23	15	79	90	169
	Total	36 (12.0)	66 (22.0)	95 (31.6)	63 (21.0)	23 (7.7)	17 (5.7)	197 (65.7)	103 (34.3)	300 (100.0)
Phulpur	BPL	9	28	15	7	-	-	52	7	59
	APL	2	6	6	9	7	11	14	27	41
	Total	11 (11.0)	34 (34.0)	21 (21.0)	16 (16.0)	7 (7.0)	11 (11.0)	66 (66.0)	34 (34.0)	100 (100.0)
Bharatganj	BPL	-	5	16	29	6	3	21	38	59
	APL	-	2	1	3	8	27	3	38	41
	Total	-	7 (7.0)	17 (17.0)	32 (32.0)	14 (14.0)	30 (30.0)	24 (24.0)	76 (76.0)	100 (100.0)
Total	BPL	87 (10.7)	296 (36.5)	205 (25.2)	172 (21.2)	30 (36.9)	22 (2.7)	588 (72.4)	224 (27.6)	812 (100.0)
	APL	17 (2.9)	50 (8.7)	74 (12.8)	160 (27.7)	113 (19.6)	163 (28.2)	141 (24.4)	436 (75.6)	577 (100.0)
	Card-less	2 (18.2)	8 (72.7)	-	1 (9.1)	-	-	10 (90.9)	1 (9.0)	11 (100.0)
	Total	106 (7.6)	354 (25.3)	279 (19.9)	333 (23.8)	143 (10.2)	185 (13.2)	739 (52.8)	661 (47.2)	1400 (100.0)

Note: Income in Rs. (Yearly) 1=Below 5000, 2=5000-9000, 3=9001-11000, 4=11001-15000, 5=15001-20000 & 6=Above 20000.

* Classification of BPL households have been done on the basis of an income of Rs. 11,000 per household per year because this is the category approved for Eight Plan Period (1992-1997) by the Planning Commission, India.

Source: Field survey.

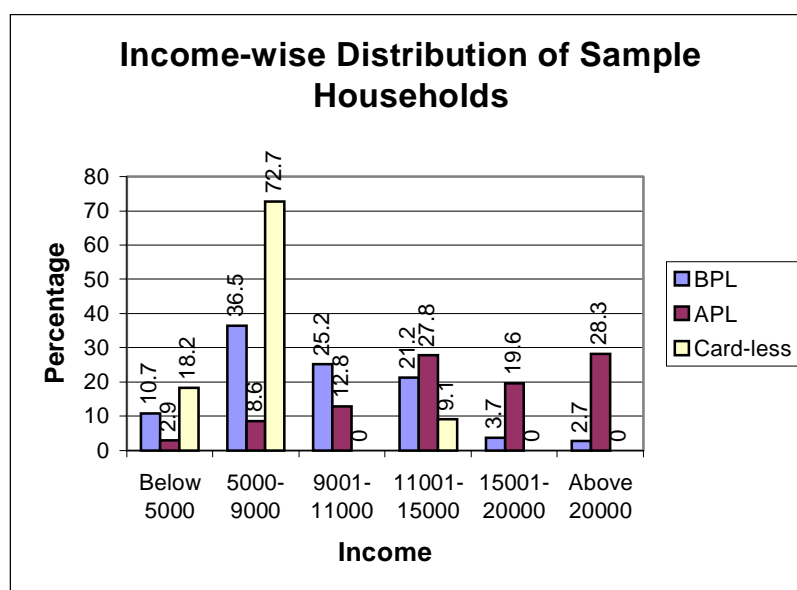


Fig. 4.2

4.4 Distribution of Sample Households in Terms of Location of FPSs, Number of FPSs at Village Level and Holding Pattern of Ration Cards and Distribution of Units

(a) Location of FPSs

Of the total households (1400) surveyed in 24 villages (in 4 Blocks) and 4 wards (in 2 Towns), 67.2 per cent get the FPS located within the village or within 1 km. from the location (House) of the household. **For 26.9 per cent of the households, the FPS is located at a distance of more than 1 km. but less than 2 km. Only for 5.9 per cent of the households, the FPS is located as a distance of more than 2 km. from the location (House) of the household.**

Of the 1400 households, 812 belong to the BPL category. Of these BPL households 67.6 per cent get the FPS within the distance of the first category, 25.5 per cent get the FPS located by second category, and 6.9 percent in the third. For the APL households (577) the distribution of FPSs by location is similar, as it is for the BPL families. There are inter-block and inter-town variations in location of FPSs from the location (House) of the sample households. For example, for the 300 households surveyed in Sankargarh Block, as high as 53.0 per cent reported that the FPSs were located at a distance of more than 1 km. but less than 2 km. The extreme case (in terms of possible better services provided by FPS by location) is shown by the Bharatganj town where all the households (100) surveyed reported to have the FPS located within 1 km. from the residence. The second town selected, namely Phulpur, also showed better access for households to FPS when 97.0 per cent of 100 households surveyed reported location of the FPS they are attached to within 1 km. of their residence. Within Blocks, Saidabad Block represented easy access of households to FPS by distance. For Saidabad Block, 94.7 per cent of the households reported to have the FPS within the village or within one km. from the settled residence.

We covered 1200 households in 4 Blocks, distributed equally among Blocks, thus each Block encompassing 300 households surveyed. We covered 200 households in 4 wards of 2 Towns, distributed equally between towns. As we found, only for Sankargarh Block, distance by location of the FPS is a major problem. In Sankargarh, one-fourth of the households revealed that it was located at a distance more than 2 km. from the location of residence (House). If we consider households by BPL and APL categories, we find the equi-proportionate relation for both the categories vis-a-vis the distance by location of the FPS in general (BPL+APL) **(Table 4.14)**.

Table 4.14
Distance by Location of FPS from the Residences of Households

Block/Town	Categories	Distance of FPS from Households			Total
		In Village or within 1 km.	Between 1 and 2 km.	Above 2 km.	
Shankargarh	BPL	47	114	52	213
	APL	18	39	23	80
	Card-less	1	6	-	7
	Total	66 (22.0)	159 (53.0)	75 (25.0)	300 (100.0)
Karchhana	BPL	108	42	4	154
	APL	94	45	3	142
	Card-less	4	-	-	4
	Total	206 (68.7)	87 (29.0)	7 (2.3)	300 (100.0)
Saidabad	BPL	187	9	-	196
	APL	97	7	-	104
	Total	284 (94.7)	16 (5.3)	-	300 (100.0)
Kaurihar	BPL	91	40	-	131
	APL	97	71	1	169
	Total	188 (62.7)	111 (37.0)	1 (0.3)	300 (100.0)
Phulpur	BPL	57	2	-	59
	APL	40	1	-	41
	Total	97 (97.0)	3 (3.0)	-	100 (100.0)
Bharatganj	BPL	59	-	-	59
	APL	41	-	-	41
	Total	100 (100.0)	-	-	100 (100.0)
Total	BPL	549 (67.6)	207 (25.5)	56 (6.9)	812 (100.0)
	APL	387 (67.1)	163 (28.2)	27 (4.7)	577 (100.0)
	Card-less	5 (45.6)	6 (54.5)	-	11 (100.0)
	Total	941 (67.2)	376 (26.9)	82 (5.9)	1400 (100.0)

Note: Figures in parentheses denote row percentages.

Source: Field survey.

(b) Number of Fair Price Shops

Of the total households (1400) surveyed, 13.7 per cent reported to have no FPS in their village while 78.8 per cent reported to have one FPS in the village. The distribution network of FPSs thus centers around one FPS per revenue village as we studied.

Absence of FPS in a particular village does not imply that the households in that particular village do not have access to items distributable through the FPSs. The fact may be that these households are entitled to the essential items distributed through the FPSs in the adjoining village outside the geographic boundary of the village where they are settled. Only 7.0 per cent of the households reported to have two FPSs in a single village where they are settled. As low as 0.5 per cent of the households reported that they have as high as three FPSs in their localities. No Block, constituting the rural region of the district, reported existence of three FPSs in any village. These high numbers of three FPSs are located thus in urban areas, the towns, namely Phulpur and Bharatganj. In addition, of the households (98) reporting to have two FPSs in the locality, the percentage for urban areas is 69.38. Generally, more than one FPS in a particular village implies probably that for Kerosene there is another shop (owned by another license holder).

The overall location of FPSs in terms of distance (Km.) holds well when we examine the households by categories like BPL and APL. For example, of the 812 BPL households, 76.6 per cent reported to have one FPS in the locality while 81.6 per cent of APL out of a total

of 577 reported to have one FPS in the village/town. There are inter-Block variations in number of FPSs serving BPL and APL households and together (BPL+APL). For example, for Karchhana Block, we find one shop in a village serving 99.0 per cent of the households (300) while in Sankargarh the case of one shop in a village is serving 50.7 per cent of the households (300). In between these lie the Blocks, Saidabad and Kaurihar, when the question of one shop serving households between maximum and minimum is concerned. The case of there being no FPS in the village is maximum in Sankargarh Block (19.0 per cent out of a total of 300), followed by Kaurihar at 14.0 percent (out of a total of 300). The Blocks that are relatively advanced in this respect are Saidabad and Karchhana, respectively showing 0.3 and 0.7 per cent of households without the facility of having a single shop in a village (**Table 4.15**). What we have talked here is about the distribution of households, and not distribution of villages/towns, by number of FPSs located and hence offering services for households to access.

Table 4.15
Distribution of Households on the Basis of Number of FPS at Village

Block/Town	Categories	Number of Households				Total
		No Shop	One Shop	Two Shops	Three Shops	
Shankargarh	BPL	107	106	-	-	213
	APL	40	40	-	-	80
	Card-less	-	6	1	-	7
	Total	147 (49.0)	152 (50.7)	1 (0.3)	-	300 (100.0)
Karchhana	BPL	-	154	-	-	154
	APL	2	139	1	-	142
	Card-less	-	4	-	-	4
	Total	2 (0.7)	297 (99.0)	1 (0.3)	-	300 (100.0)
Saidabad	BPL	-	181	15	-	196
	APL	1	90	13	-	104
	Total	1 (0.3)	271 (90.3)	28 (9.4)	-	300 (100.0)
Kaurihar	BPL	16	115	-	-	131
	APL	26	143	-	-	169
	Total	42 (14.0)	258 (86.0)	-	-	300 (100.0)
Phulpur	BPL	-	24	30	5	59
	APL	-	19	20	2	41
	Total	-	43 (43.0)	50 (50.0)	7 (7.0)	100 (100.0)
Bharatganj	BPL	-	42	17	-	59
	APL	-	40	1	-	41
	Total	-	82 (82.0)	18 (18.0)	-	100 (100.0)
Total	BPL	123 (15.1)	622 (76.6)	62 (7.6)	5 (0.6)	812 (100.0)
	APL	69 (12.0)	471 (81.6)	35 (6.1)	2 (0.3)	577 (100.0)
	Card-less	-	10 (90.9)	1 (9.1)	-	11 (100.0)
	Total	192 (13.7)	1103 (78.8)	98 (7.0)	7 (0.5)	1400 (100.0)

Source: Field survey.

(c) Holding Pattern of Ration Cards among Households

Apart from 11 card-less cases, all the rest households from the total 1400 households surveyed own at least one Ration Card. We found households, inside both BPL and APL, who own more than one ration card. The BPL households who own two ration cards constitute 4.2 per cent of all BPL households (812) while APL households owing two ration cards constitute 6.1 per cent of the APL households (577). In totality (BPL+APL), 4.9 per cent of households out of 1400 households have two ration cards. We also found households, inside both BPL and APL, who own three or more ration cards. In totality such households (BPL+APL) constitute 0.8 per cent of 1400 households; for BPL households (812), it is 0.7 per cent while the APL households having three and above ration cards constitute 0.9 per cent of total APL households (577). The BPL households owning two or more ration cards constitute 4.9 per cent of all BPL households (812) while the APL households owning two or more ration cards constitute 6.9 per cent of all APL households. There are inter-Block and inter-town variations in holding pattern of ration cards (Table 4.16).

Table 4.16
Holding Pattern of Ration Cards of Households

Block/Town	Categories	Number of Ration Cards						Total*
		Two		Three & Above		Total		
		BPL	APL	BPL	APL	BPL	APL	
Shankargarh	BPL	10	1	-	1	10	2	213
	APL	3	1	1	1	4	2	80
	Card-less	-	-	-	-	-	-	7
	Total	13 (4.3)	2 (0.7)	1 (0.3)	2 (0.7)	14 (4.7)	4 (1.3)	300 (100.0)
Karchhana	BPL	8	12	3	2	11	14	154
	APL	10	1	1	1	11	2	142
	Card-less	-	-	-	-	-	-	4
	Total	18 (6.0)	13 (4.3)	4 (1.3)	3 (1.0)	22 (7.3)	16 (5.3)	300 (100.0)
Saidabad	BPL	5	4	1	1	6	5	196
	APL	7	2	-	1	7	3	104
	Total	12 (4.0)	6 (2.0)	1 (0.3)	2 (0.7)	13 (4.3)	8 (2.7)	300 (100.0)
Kaurihar	BPL	6	3	2	1	8	4	131
	APL	15	18	3	1	18	19	169
	Total	21 (7.0)	21 (7.0)	5 (1.7)	2 (0.7)	26 (8.7)	23 (7.7)	300 (100.0)
Phulpur	BPL	2	2	-	-	2	2	59
	APL	-	-	-	-	-	-	41
	Total	2 (2.0)	2 (2.0)	-	-	2 (2.0)	2 (2.0)	100 (100.0)
Bharatganj	BPL	3	1	-	-	3	1	59
	APL	-	1	-	1	-	2	41
	Total	3 (3.0)	2 (2.0)	-	1 (1.0)	3 (3.0)	3 (3.0)	100 (100.0)
Total	BPL	34 (4.2)	23 (2.8)	6 (0.7)	5 (0.6)	40 (4.9)	28 (3.4)	812 (100.0)
	APL	35 (6.1)	23 (4.0)	5 (0.9)	5 (0.9)	40 (6.9)	28 (4.9)	577 (100.0)
	Card-less	-	-	-	-	-	-	11 (100.0)
	Total	69 (4.9)	46 (3.3)	11 (0.8)	10 (0.7)	80 (5.7)	56 (4.0)	1400 (100.0)

Note: * These households already hold single ration card.

Source: Field survey.

(d) Distribution of Units (in Existing Ration Cards)

The distribution of households (1400) in terms of cardholding shows equal number of households surveyed (300) for each Block and equal number of households surveyed (100) for each Town. The distribution of households in terms of units (in existing ration cards) shows asymmetry, inter-Block and inter-town.

Of the total households (1400), the units came to be a total of 6302 that is a multiple of 4.5. Of these total units (6302), BPL households for all Blocks and towns taken together have 54.8 per cent and APL households, the rest 45.2 per cent. There are inter-Block and inter-town variations in unit holding. Also, there are variations in distribution of units between BPL and APL households within any particular Block. The most prominent of this variation is shown by Sankargarh Block where 70.8 per cent of the units distributed (held) within the Block go to the BPL households as opposed to 29.2 per cent for APL households. For Karchhana, it is more or less equally distributed among BPL and APL households. For each town also, access of BPL and APL households to units distributed is more or less equal. (Table 4.17).

Table 4.17
Distribution of Units in Existing Ration Cards

Block/Town	BPL	APL	Total
Shankargarh	894.5 (70.8)	368.5 (29.2)	1263 (100.0)
Karchhana	675.5 (50.3)	668.0 (49.7)	1343.5 (100.0)
Saidabad	845.0 (59.2)	582.0 (40.8)	1427.0 (100.0)
Kaurihar	545.0 (41.4)	770 (58.6)	1315.0 (100.0)
Phulpur	246.5 (50.2)	244.5 (49.8)	491.0 (100.0)
Bharatganj	247.0 (53.4)	215.5 (46.6)	462.5 (100.0)
Total	3453.5 (54.8)	2848.5 (45.2)	6302.0* (100.0)

Note: * Some units of false ration cards have also been included in these figures.

Source: Field survey.

4.5 Gap Between Requirement and Distribution of Items Per Period, and Gap Between Market Price and FPS Price of Items at District Level

Let us consider the consumption requirements of the households of the essential commodities distributed through the FPS and what is actually distributed, so that we may derive the gap, if any, between these two. Let us see the gap item-wise and by economic categories, BPL and APL.

For rice, for BPL households, the percentage gap between requirement and that supplied by the FPS per family per month is 92.2. This means that only 7.8 per cent of the requirement of rice by BPL households are covered by distribution by FPS. For wheat for BPL

families, only 8.7 per cent of requirement per period per family are covered by distribution by FPS, the gap thus being 91.3 between quantity required and quantity distributed through FPS. For sugar, for BPL families, the gap is 88.2, that is, 11.8 per cent of sugar required is supplied through FPS. For kerosene, it is a different story, where for BPL families 77.3 per cent is covered by FPS. By absolute quantity supplied only 2.7 kg. of rice per family per month is supplied through FPS for BPL households, while the required quantity is 34.5 kg. For wheat for BPL households, only 3.8 kg. is supplied through FPS while the required quantity is 43.5 kg. For sugar, the supplied quantity is 0.2 kg. when the requirement is only 1.7 kg. per family per month for BPL households.

The similar scenario holds good for APL households in terms of the gap between required quantity and received quantity, though the APL households are not entitled to rice and wheat at same prices as paid by BPL households. For card-less cases, the households somehow manage to get a little amount from the FPS, though generally they meet 95.0 per cent of demand for rice and wheat through the open market and 100.0 per cent for sugar. Surprisingly, the card-less households get 62.3 per cent of kerosene from FPSs.

The high gap between quantity of essential items required and that distributed through FPS shows the insignificant contribution of FPS in meeting the consumption requirements of households. It also signals at the necessity for increased quantity to be supplied (for households) by the FPSs. What we observe is high requirement of rice and wheat, on average 35.1 kg. and 44.6 kg. respectively across BPL and APL households, as opposed to very low quantity of sugar required. On average, requirement of sugar per family per month is 2.6 kg. for BPL and APL households taken together which is only 1.7 kg. for BPL families. The major items in the consumption basket thus are rice and wheat, and more so for BPL households.

Let us also look at what price per unit of items the households pay in the open market and for distribution through FPS. This open market price is the price on average as reported by the households and FPS price is the price actually charged on items by the FPS dealer (as reported by households, FPS price charged often alleged to be higher than fixed FPS price). The gap between these two prices, open market and FPS, is always positive, but not very significant. For rice for BPL households, the gap between the two is 10.2 per cent, absolute prices per kg. being Rs. 7.12 and Rs. 6.46 on average. For wheat for BPL households, the gap between the two is only 1.4 per cent, while for sugar it is 28.0 per cent. The gap in price is very significant for kerosene, it is 39.5 per cent for BPL households, the absolute gap being Rs. 4 per liter.

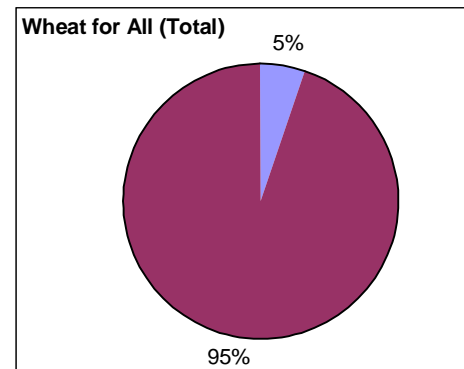
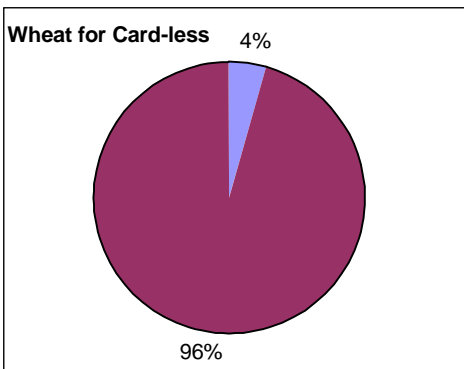
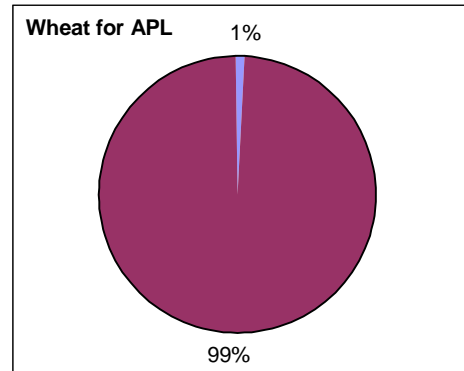
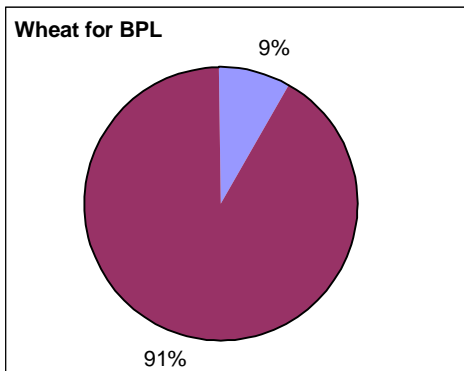
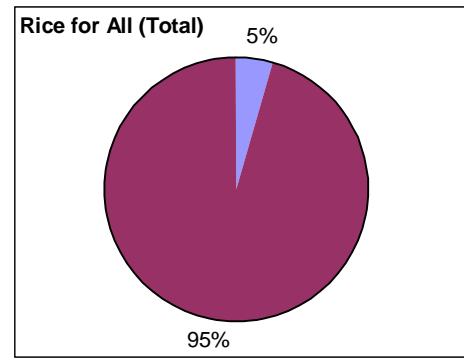
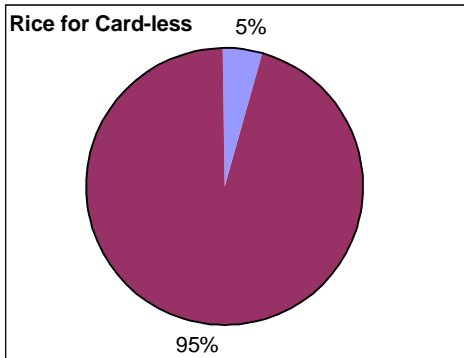
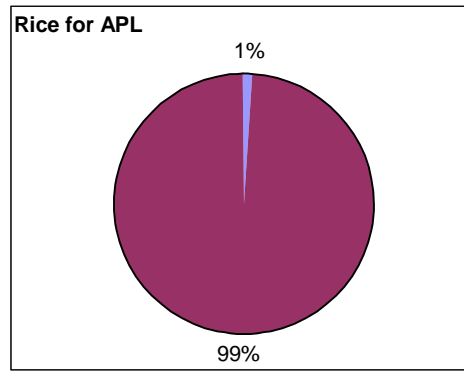
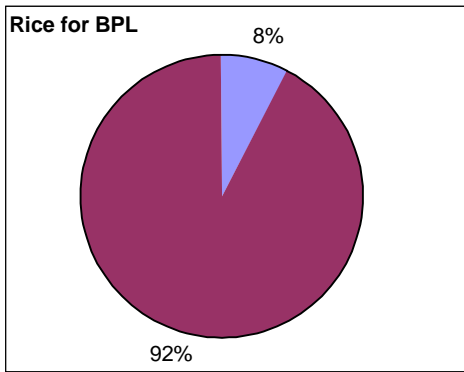
For APL households similarly there is insignificant gap between market price and FPS price for rice and wheat. The gap is significant for sugar. It is 3.92 per cent for sugar for APL households. The prices paid by the APL households in the open market is always marginally higher than the prices paid for the same items by the BPL households. The quality of items bought by the respective households may explain this difference (**Table 4.18 & Fig. 4.3a, b, c, d, e, f**).

Table 4.18
Gap Between Requirement and Distribution of Items Per Month and Gap between
Market Price and FPS Price of Items

Items	Category	Average Consumption of Items			Average Rate of Items		
		Requirement per family per month	Distributed by FPS per family per month	Gap between requirement and sup. by FPS	FPS price (in Rs.)	Market price (in Rs.)	Gap between market price and FPS price (in Rs.)
Rice (In kg.)	BPL	34.5 (100.0)	2.7 (7.8)	31.8 (92.2)	6.46 (100.0)	7.12 (110.2)	0.66 (10.2)
	APL	36.3 (100.0)	0.4 (1.1)	35.9 (98.9)	6.77 (100.0)	7.29 (107.7)	0.52 (7.7)
	Card-less	26.8 (100.0)	1.3 (4.9)	25.5 (95.1)	6.25 (100.0)	7.63 (122.1)	1.38 (22.1)
	Total	35.1 (100.0)	1.7 (4.8)	33.4 (95.2)	6.22 (100.0)	7.19 (115.6)	0.97 (15.6)
Wheat (In kg.)	BPL	43.5 (100.0)	3.8 (8.7)	39.7 (91.3)	5.03 (100.0)	5.10 (101.4)	0.07 (1.4)
	APL	46.2 (100.0)	0.5 (1.1)	45.7 (98.4)	5.15 (100.0)	5.13 (99.6)	-0.02 (-0.4)
	Card-less	40.9 (100.0)	1.8 (4.4)	39.1 (95.6)	5.16 (100.0)	5.18 (100.4)	0.02 (0.4)
	Total	44.6 (100.0)	2.4 (5.4)	42.2 (94.6)	5.05 (100.0)	5.11 (101.2)	0.06 (1.2)
Sugar (In kg.)	BPL	1.7 (100.0)	0.2 (11.8)	1.5 (88.2)	13.59 (100.0)	17.40 (128.0)	3.81 (28.0)
	APL	3.8 (100.0)	0.3 (7.9)	3.5 (92.1)	13.58 (100.0)	17.50 (128.9)	3.92 (28.9)
	Card-less	0.3 (100.0)	-	0.3 (100.0)	13.75 (100.0)	17.33 (126.0)	3.58 (26.0)
	Total	2.6 (100.0)	0.2 (7.7)	2.4 (92.3)	13.59 (100.0)	17.43 (128.3)	3.84 (28.3)
Kerosene (In liters)	BPL	4.4 (100.0)	3.4 (77.3)	1.0 (22.7)	10.10 (100.0)	14.09 (139.5)	3.99 (39.5)
	APL	5.5 (100.0)	3.9 (70.9)	1.6 (29.1)	10.07 (100.0)	14.20 (141.0)	4.13 (41.0)
	Card-less	5.3 (100.0)	3.3 (62.3)	2.0 (37.7)	10.05 (100.0)	14.54 (144.7)	4.49 (44.7)
	Total	4.8 (100.0)	3.6 (75.0)	1.2 (25.0)	10.09 (100.0)	13.50 (133.8)	3.41 (33.8)

Source: Field survey.

Average Consumption of Rice & Wheat in Sample Households



■ Through FPS
■ Through Others Sources (Market Etc.)

■ Through FPS
■ Through Others Sources (Market Etc.)

Average Consumption of Sugar & Kerosene in Sample Households

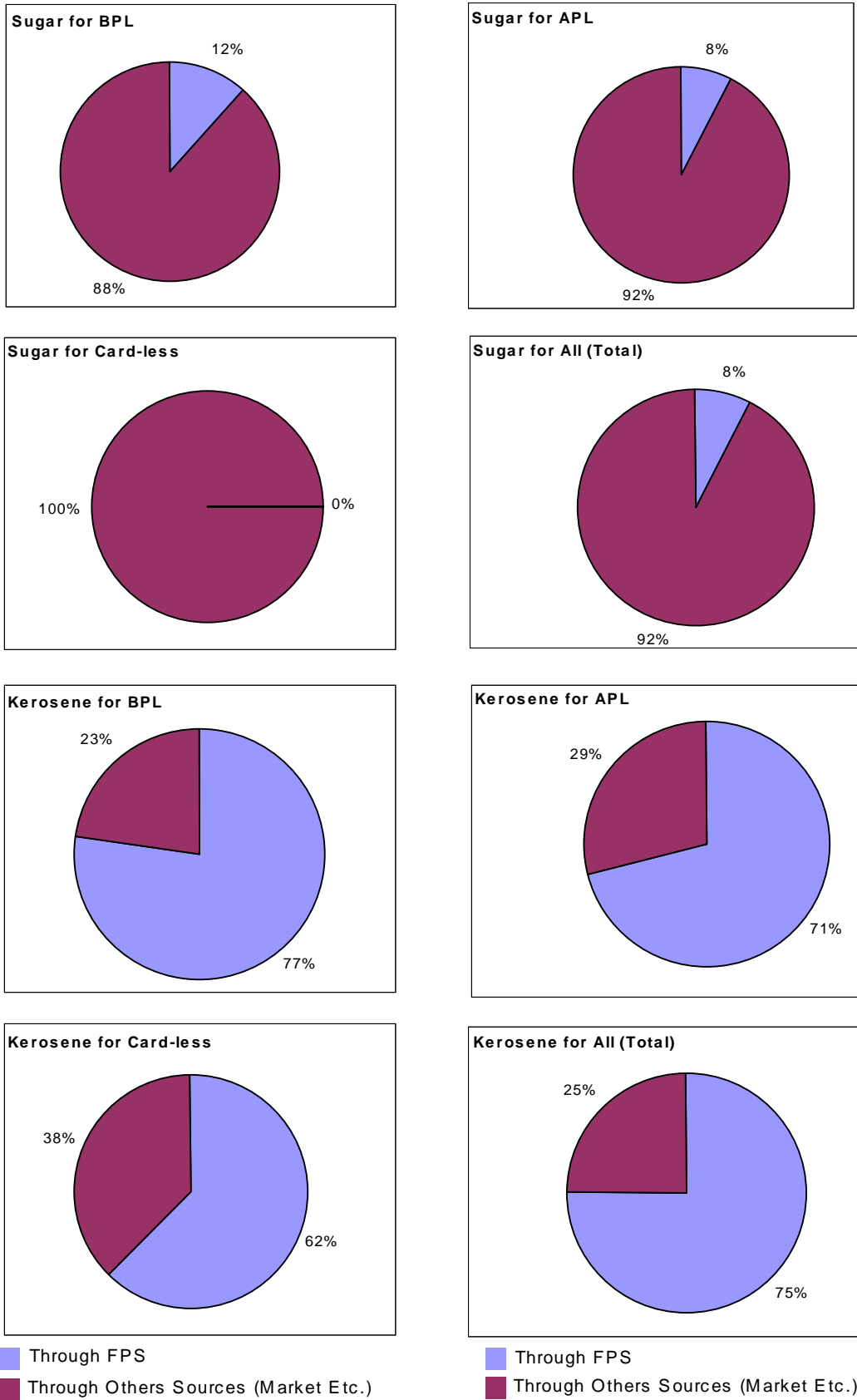
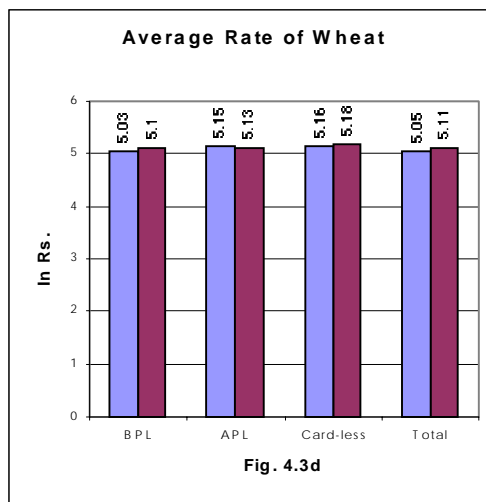
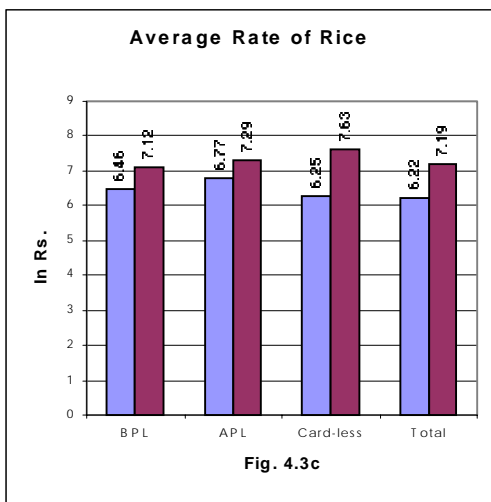
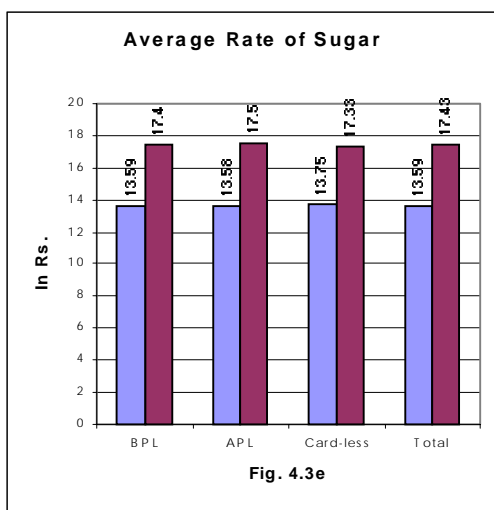


Fig. 4.3b

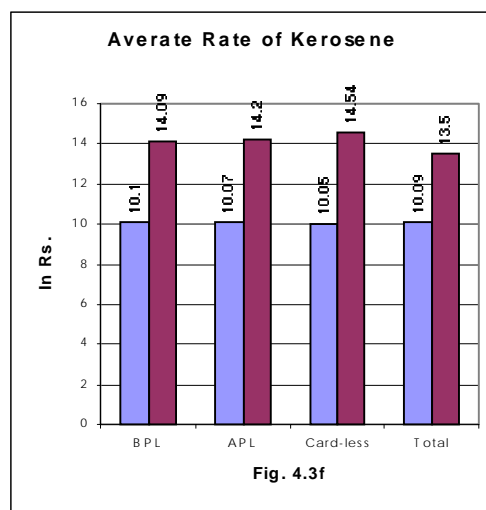


■ FPS Price
■ Market Price

■ FPS Price
■ Market Price



■ FPS Price
■ Market Price



■ FPS Price
■ Market Price

4.5.1 Item-wise Gap by Quantity Distribution to Households at Block Level

Now we can elaborate on the gap between requirement and allotment of items, for BPL and APL households, in its totality and also Block-wise and Town-wise.

For rice, the gap between required quantity by all households (BPL+APL+Cardless) and received quantity (from FPS) is 33.4 kg. per month which shows a gap of 95.2 per cent. For wheat the gap is 94.6 per cent, for sugar it is 92.3 per cent, and for kerosene it is 25.0 per cent. **The simple interpretation is that PDS has failed miserably in supplying essential items to the population across board, both BPL and APL, excepting kerosene, if PDS has any aim to fulfil most of the requirements of the target groups for essential commodities through FPS.**

For BPL households, required average consumption of rice is 34.5 kg. per month per household while the distributed quantity is only 2.7 kg, that is, 7.8 per cent of the required quantity. For wheat, average consumption requirement per household per month is 43.5 kg. while the distributed quantity is 3.3 kg, that is, 8.7 per cent of the required quantity. For sugar, the required quantity per household per month is very meagre at 1.7 kg. of which 11.8 per cent is distributed through the FPS. 77.3 per cent of consumption requirements for kerosene for BPL households is met through the FPS.

APL households have a little higher requirement, per household per month, for all the items, rice, wheat, sugar and kerosene, relative to the corresponding requirements of BPL households. For rice, wheat, and kerosene they are marginally higher, while for sugar the requirement of APL households is double that of BPL households per household per period. Most of the requirements of APL households are met through open market, excepting kerosene. The APL households receive only 1.1 per cent of each of rice and wheat required from the FPSs, while they receive 7.9 per cent of sugar required for consumption per period, and 70.9 per cent of the kerosene from the FPSs.

The card-less households do not receive sugar from the FPSs, but manage to get rice, wheat and kerosene from these shops. The quantities of rice, wheat and kerosene that these card-less households receive from FPSs fall well below those received by the BPL cardholders. **In any case, one simple interpretation is that the card-less cases need to be taken care of by the administrative set up meant for the PDS network in the district.**

We have consistent information on consumption requirements of essential items, by regional division of the District of Allahabad, and by selection of Blocks and Towns. For example, considering inter-Block variations in consumption requirement of rice per household per month, we get the minimum at 34.5 kg. for each of Karchhana and Kaurihar Blocks and maximum at 36.7 kg. for Sankargarh Block. The range of variation in consumption requirement of rice for all (BPL+APL+Cardless) thus is 2.2 kg. per household per month, inter Block-wise. For wheat, the range of variation in requirement for all households blockwise is 6.2 kg. per household per month, the maximum requirement being 47.9 kg. for Saidabad Block and the minimum being 41.7 kg. for Kaurihar Block. For sugar, the requirement for all households Block-wise lies between 2.1 kg. at minimum for each of Sankargarh and Kaurihar Blocks and 2.9 kg. at maximum for Karchhana Block. The range of variation in consumption requirement of Sugar (Block-wise) per household per month thus is 0.8 kg. If we look at consumption requirement of essential items in urban areas, we find that for rice it is a wide variation between 20.6 kg. for Bharatganj town and 36.4 kg. for Phulpur town. For wheat also, the requirement in Phulpur is 46.5 kg., far more than the requirement in Bharatganj which is 34.4 kg. per month per household.

In terms of consumption requirements for items by specific economic categories, there is consistency across Blocks in the District. For example, for rice the requirements of BPL households vary between the minimum at 34.5 kg. for Karchhana and 37.4 kg. for Sankargarh, a gap in inter-village requirement of rice for BPL households estimated at 2.9 kg.

For wheat, for BPL households, the inter-Block variation in consumption requirement is estimated at 5.6 kg., the maximum being 46.9 kg. for Sankargarh and the minimum being 41.3 kg. for Kaurihar. **The simple interpretation is that there exists a minimum requirement of BPL households for at least rice and wheat, which are very significant by quantity in the consumption basket. The average requirement of rice and wheat per BPL Household per period can also be calculated.**

For BPL households, the estimated range of variation among Blocks in consumption requirement of sugar per household per month is 0.8 kg., the maximum at 2.1 kg. for each of Sankargarh and Saidabad while the minimum is at 1.4 kg. for Kaurihar. **There thus exist minimum and average (with hypothetical maximum at given prices) requirement for sugar for BPL households for all the Blocks taken together.**

We have calculated the average requirements of items for BPL and APL households separately and together that may be taken as yardstick for consideration by the administrative division in the PDS network for supply through the FPSs. These average figures, that is, consumption requirements for each item, are approximations that aim at covering the average consumption requirements of households.

So far, for each Block and Town surveyed the distribution of items on the average accounts for very insignificant percentage of requirements. While for Sankargarh this percentage (distribution as a percentage of requirements) is as high as 11.2 per cent for rice, for Saidabad it is 0.5 per cent. In between these extremes lie Kaurihar at 4.6 per cent and Karchhna at 6.4 per cent. For the towns, Phulpur and Bharatganj, the percentages stand at 0.8 and 1.0 respectively. **Saidabad thus draws tremendous attention as far as allotment of rice is concerned.** The same calculation for wheat allotment, as a percentage of requirement per household per month, is as high as 9.4 for Sankargarh and as low as 0.8 for Saidabad. For the towns, the distribution percentages for wheat are 1.3 and 1.2 respectively for Phulpur and Bharatganj. **The Block that draws attention in terms of necessity to distribute more of wheat is again Saidabad.** As we saw, the gap between requirement and distribution is highest for Saidabad for rice and wheat, respectively at 99.5 and 99.4 per cent. Saidabad does not represent a Block with much higher average requirement. **The fact is that very low distribution rather than high requirement explain the large gap between requirement and distribution for Saidabad, so far as rice and wheat are concerned. Saidabad draws more attention though the fact remains valid for all the Blocks studied that distribution of essential items offers a very poor picture relative to required consumption.**

As far as sugar is concerned, distribution as percentage of requirement stood at as high as 9.5 per cent for Sankargarh and Kaurihar, and as low as 6.9 per cent for Karchhana, and 7.1 per cent for Saidabad. As a percentage, the gap between requirement and distribution being met by open market for sugar stands at more than 90.0 per cent for all the Blocks. However, the fact is that the absolute requirement of sugar per household per month is very low for each of these Blocks, lying between 2.1 kg. and 2.9 kg. The requirement for

sugar is still lower for BPL households in the Blocks. The households in towns, Phulpur and Bharatganj, satisfy more of the requirements for sugar through the FPSs, relative to the villages in Blocks. The requirements for sugar for households in towns are also low, 2.6 kg. on average.

Kerosene has a steady supply through the FPSs, the distribution as a percentage of requirement being 75.0 for all the Blocks and towns. For Saidabad and Kaurihar, the distribution as percentage of requirement is poorer (around 65.0 per cent) relative to those for Sankargarh (at 82.7 per cent) and Karchhana (at 73.3 per cent). This happens when the average consumption requirement of sugar is as low as 4.5 liter for Kaurihar and 4.6 liter for Saidabad, relative to a little higher at 5.2 liter for Sankargarh and as equal as 4.5 liter for Karchhana. **Since requirement of Kerosene is satisfied more or less equally across economic categories, BPL and APL, hence increased allotment of Kerosene in FPSs, is meant to offer benefits to both types of households (Table 4.19).**

4.5.2 Item-wise Price-Differential between Open Market and FPSs at Block Level

Earlier we talked about 'quantity gap' between required consumption and distribution of items through FPS, Block-wise, Town-wise, for BPL and APL households, and for the district as a whole. Now we try to point out the price-differential item-wise between open market and FPS.

For rice, the gap in price per unit between open market and FPS for all households, BPL and APL, in all Blocks and Towns, that is for the District on the average is Rs. 0.97 which is 15.6 per cent of FPS price (Rs. 6.22 on average). For wheat, the absolute gap is Rs. 0.06, that is, 1.2 per cent of FPS price (Rs. 5.05 on average). For sugar, the gap is Rs. 3.84, which is 28.3 per cent of FPS price (Rs. 13.59 on average). For kerosene, the gap is Rs. 3.41, which is 33.8 per cent of FPS price (Rs. 10.09 on average). **This positive 'price gap' is more or less equally applicable for BPL and APL households in the District as a whole for rice, sugar and kerosene, but not for wheat.** For wheat for BPL households, the gap is 1.4 per cent of FPS price reported for BPL households (Rs. 5.03) while the gap is negative at -0.4 per cent for APL households for whom the FPS price is recorded at Rs. 5.15. Open market rate for wheat differs insignificantly between BPL and APL households, for BPL households it is Rs. 5.10 per kg. and for APL households it is Rs. 5.13 per kg. For calculating the gap between open market price and FPS price, we have taken FPS price as base (with an index of 100.0). **The prices we record are the prices reported by the households, the prices they pay while they buy the items (same quality) in the open market and from the FPS.** Each of sugar and kerosene has approximately equal price for BPL and APL households as they receive these items from FPSs considered on average for the district as a whole. For sugar, the FPS price is Rs. 13.59 for BPL households and Rs. 13.58 for APL households. For kerosene, it is Rs. 10.10 for BPL households and Rs. 10.07 for APL households.

Table 4.19
Requirement and Distribution of Items Per month and Gap between Requirement and Distribution Per month

Block/Town	Category	Average Distribution of Items from FPS				Gap between Requirement and Received Items				Average Consumption of Required Items			
		Rice (In kg.)	Wheat (In kg.)	Sugar (In kg.)	Kerosene (In liters)	Rice (In kg.)	Wheat (In kg.)	Sugar (In kg.)	Kerosene (In liters)	Rice (In kg.)	Wheat (In kg.)	Sugar (In kg.)	Kerosene (In liters)
Shankargarh	BPL	4.8	4.9	0.1	3.9	32.6	42.0	1.2	0.8	37.4	46.9	1.3	4.7
	APL	2.3	3.2	0.5	5.4	32.7	42.8	3.8	1.0	35.0	46.0	4.3	6.4
	Card-less	-	-	-	4.0	35.0	52.8	0.3	2.3	35.0	52.8	0.3	6.3
	Total	4.1 (11.2)	4.4 (9.4)	0.2 (9.5)	4.3 (82.7)	32.6 (88.8)	42.4 (90.6)	1.9 (90.5)	0.9 (17.3)	36.7 (100.0)	46.8 (100.0)	2.1 (100.0)	5.2 (100.0)
Karchhana	BPL	3.9	6.8	0.2	3.1	30.5	38.0	1.6	0.8	34.4	44.8	1.8	3.9
	APL	0.2	0.3	0.2	3.5	35.1	44.8	3.9	1.7	35.3	45.1	4.1	5.2
	Card-less	3.7	5.0	-	2.2	8.8	15.0	0.2	1.3	12.5	20.0	0.2	3.5
	Total	2.2 (6.4)	3.7 (8.3)	0.2 (6.9)	3.3 (73.3)	32.3 (93.6)	40.9 (91.7)	2.7 (93.1)	1.2 (26.7)	34.5 (100.0)	44.6 (100.0)	2.9 (100.0)	4.5 (100.0)
Saidabad	BPL	0.2	0.5	0.1	2.6	35.2	43.9	2.0	1.5	35.4	44.4	2.1	4.1
	APL	-	-	0.4	3.8	46.6	54.8	3.6	1.8	46.6	54.8	4.0	5.6
	Total	0.2 (0.5)	0.3 (0.6)	0.2 (7.1)	3.0 (65.2)	39.1 (99.5)	47.6 (99.4)	2.6 (92.9)	1.6 (34.8)	39.3 (100.0)	47.9 (100.0)	2.8 (100.0)	4.6 (100.0)
Kaurihar	BPL	3.6	5.6	0.1	2.8	32.0	35.7	1.3	1.4	35.6	41.3	1.4	4.2
	APL	-	-	0.2	2.9	33.6	42.1	2.5	1.8	33.6	42.1	2.7	4.7
	Total	1.6 (4.6)	2.4 (5.7)	0.2 (9.5)	2.9 (64.4)	32.9 (95.4)	39.3 (94.2)	1.9 (90.5)	1.6 (35.6)	34.5 (100.0)	41.7 (100.0)	2.1 (100.0)	4.5 (100.0)
Phulpur	BPL	0.5	1.1	0.3	5.1	34.5	42.5	2.0	0.6	35.0	43.6	2.3	5.7
	APL	-	-	0.4	5.3	38.5	50.6	3.5	1.2	38.5	50.6	3.9	6.5
	Total	0.3 (0.8)	0.6 (1.3)	0.3 (10.3)	5.2 (86.7)	36.1 (99.2)	45.9 (98.7)	2.6 (89.7)	0.8 (13.3)	36.4 (100.0)	46.5 (100.0)	2.9 (100.0)	6.0 (100.0)
Bharatganj	BPL	0.4	0.8	0.3	4.4	17.4	28.2	1.8	0.3	17.8	29.0	2.1	4.7
	APL	-	-	0.7	5.4	24.7	42.2	4.4	0.9	24.7	42.2	5.1	6.3
	Total	0.2 (1.0)	0.4 (1.2)	0.5 (14.7)	4.8 (88.9)	20.4 (99.0)	34.0 (98.8)	2.9 (85.3)	0.6 (11.1)	20.6 (100.0)	34.4 (100.0)	3.4 (100.0)	5.4 (100.0)
Total	BPL	2.7 (7.8)	3.8 (8.7)	0.2 (11.8)	3.4 (77.3)	31.8 (92.2)	39.7 (91.3)	1.5 (88.2)	1.0 (22.7)	34.5 (100.0)	43.5 (100.0)	1.7 (100.0)	4.4 (100.0)
	APL	0.4 (1.1)	0.5 (1.1)	0.3 (7.9)	3.9 (70.9)	35.9 (98.9)	45.7 (98.9)	3.5 (92.1)	1.6 (29.1)	36.3 (100.0)	46.2 (100.0)	3.8 (100.0)	5.5 (100.0)
	Card-less	1.3 (4.8)	1.8 (4.4)	-	3.3 (62.3)	25.5 (95.2)	39.1 (95.6)	0.3 (100.0)	2.0 (37.7)	26.8 (100.0)	40.9 (100.0)	0.3 (100.0)	5.3 (100.0)
	Total	1.7 (4.8)	2.4 (5.4)	0.2 (7.7)	3.6 (75.0)	33.4 (95.2)	42.2 (94.6)	2.4 (92.3)	1.2 (25.0)	35.1 (100.0)	44.6 (100.0)	2.6 (100.0)	4.8 (100.0)

Source: Field survey.

There are inter-regional (Block-wise) variations in 'price gap' item-wise. For rice, the gap is maximum at 16.6 per cent for Kaurihar, followed by Saidabad at 14.4 per cent, and minimum at 6.9 per cent for Sankargarh. For Karchhana, the gap is 14.0 per cent. All these percentages are calculated with FPS as the base price with 100.0 as the index. The problem is that there are inter-Block variations in the reported (by households) FPS price. Thus, we need to look at absolute gap also in Rupee terms per unit of items bought by the households. For Kaurihar the 'absolute price gap' for rice is Rs. 1.04 while for Karchhana it is Rs. 0.89, for Sankargarh it is Rs. 0.47 and for Saidabad it is Rs. 0.34. **The absolute magnitude of the price gap for rice thus differs from the percentage magnitude of the price gap, excepting Kaurihar Block, for rice.** The variations in inter-Block FPS price for rice is however marginal, between Rs. 6.25 for Kaurihar at minimum and Rs. 6.84 at maximum, the prices being averages of 'price reports' by all BPL and APL households in the Blocks surveyed.

For wheat the price gap varied between as high as 4.8 per cent for Karchhana and as low as -2.7 percent for Sankargarh. This means that for Sankargarh the open market price was lower than FPS price for wheat during the period of survey. The reasons for buying wheat from FPS in Sankargarh thus may lie elsewhere, and not in 'price gap'. The reported FPS price for wheat varied between maximum at Rs. 5.19 for Sankargarh and minimum at Rs. 4.91 for Saidabad, these are average wheat prices for the Blocks, as reported by all the respondents from BPL and APL households. **Calculated on this very low range of variation in 'reported FPS price', the 'absolute magnitude of price gap' for wheat stands maximum at Rs. 0.24 for Karchhana and minimum at -0.14 for Sankargarh.**

For sugar the percentage price gap is highest for Karchhana at 29.1 and lowest at 27.5 for Saidabad. Sankargarh shows a price gap of 27.6 per cent for sugar while for Kaurihar it is 27.7 per cent. Thus, inter-Block variations in reported price gap by percentage are very low. The reported FPS absolute price for sugar is confined to a very low range of variation for Blocks, maximum being reported for Saidabad at Rs. 13.72, and minimum at Rs. 13.53 for Kaurihar. **The reported absolute price gap differs from percentage price gap for sugar considered over blocks, the reasons being both differences in 'reported FPS prices' and 'reported open market prices' for items.**

For kerosene the 'percentage price gap' varies between the maximum at 41.8 for Karchhana and the minimum at 38.5 for Sankargarh. The 'absolute price gap' shows the maximum at Rs. 4.27 for Karchhana and the minimum at Rs. 3.85 for Sankargarh. The 'reported absolute price' for kerosene stood at Rs. 10 per liter for each of Kaurihar and Sankargarh, the lowest, and maximum at Rs. 10.24 for Karchhana, followed by Rs. 10.16 for Saidabad. **For Kerosene, there is one-to-one correspondence between 'absolute price gap' and 'percentage price gap' considered over blocks in the District.**

As reported, both BPL and APL households avail from FPSs all the items, rice, wheat, sugar, and kerosene at same or similar prices. For example, while the 'average FPS price' for rice was Rs. 6.46 for BPL households (average over all Blocks and towns), for APL

households it was Rs. 6.77, higher by only Rs. 0.31. For wheat, the 'reported average FPS price' was Rs. 5.03 for BPL households and Rs. 5.15 for APL households, higher for APL households by Rs. 0.12 only. For sugar for BPL households, the 'reported average FPS price' is Rs. 13.59, while for APL households, it is Rs. 13.58. For kerosene for BPL families it is Rs. 10.07 and for APL households, Rs. 10.05. **The inter-regional (Block-wise and Town-wise) variations in reported FPS price per item is also not significant, considering over BPL and APL households. In other words, both BPL and APL households pay same or similar prices for essential items in all the Blocks and Towns.** There is also not much variation in open market rates as bought by BPL and APL households of the items considered as reported by the respondents from households (Table 4.20).

4.6 Required Expenditure by Households on Essential Commodities (at both Market Price and FPS Price)

To get market-based expenditure of households, we have multiplied actual quantity of the commodity required by (average) market price. This market price per unit of the item is based on the information provided by the households. To get FPS-based expenditure, we have multiplied actual quantity of the commodity required by FPS price. What we find is that for both BPL and APL households, FPS-based expenditure accounted for around 90.0 per cent of market-based expenditure. The expenditure by households has been calculated in Rupee terms over all the items distributed, namely, wheat, rice, sugar, and kerosene. **We have calculated the annual expenditure of households, on the assumption of required quantity actually supplied (received by households), in the market and through FPS. The implication is that at least 10.0 per cent of expenditure can be saved by households, both BPL and APL, if the required quantity is supplied through FPS. The price prevailing in the (open) market as responded by the households is by no means an overestimation, as reflected by the willingness of a major section of the households to buy from the open market.**

The FPS price reported (as being paid by the households) is higher than the price fixed for distribution purposes. If we multiply the actual quantity of commodities supplied by the FPS by the (actually charged) price the households pay, we get (actual) expenditure on FPS items (quantities) bought by the households. This actual expenditure on FPS items constitutes 12.6 per cent of market-based expenditure for BPL households and 7.5 per cent for APL households. For both BPL and APL households taken together, actual expenditure on FPS items constitutes only 10.0 per cent of market-based expenditure. **Thus, FPS distributed items at FPS charged prices (prices higher than what is fixed) show not only a huge gap (90.0 per cent) between required expenditure on essential items (by consumption requirements of households) and expenditure incurred by households at FPS level, but also the scope for increased distribution of items.**

While market price (as reported by the households) is higher than the FPS price actually charged on households (the latter being higher than the FPS price fixed), for APL households market price is higher than the corresponding market price for BPL households. The reason may lie in quality-differential of the same items bought in the open market.

Table 4.20
Price Gap between Fair Price Shop and Open Market, Item-wise

Block/Town	Category	Rice (Rs./kg.)			Wheat (Rs./kg.)			Sugar (Rs./ kg.)			Kerosene (Rs./liters)		
		FPS	Market	Gap	FPS	Market	Gap	FPS	Market	Gap	FPS	Market	Gap
Shankargarh	BPL	6.82	7.23	0.41	5.18	5.21	-0.03	13.55	17.34	3.79	10.01	13.90	3.89
	APL	6.91	7.49	0.58	5.20	5.05	-0.15	13.64	17.31	3.67	10.00	13.66	3.66
	Card-less	-	7.64	7.64	5.50	5.04	-0.46	13.50	17.33	3.87	10.00	14.57	4.57
	Total	6.84 (100.0)	7.31 (106.9)	0.47 (6.9)	5.19 (100.0)	5.05 (97.3)	-0.14 (-2.7)	13.59 (100.0)	17.34 (127.6)	3.75 (27.6)	10.00 (100.0)	13.85 (138.5)	3.85 (38.5)
Karchhana	BPL	6.35	7.03	0.68	4.94	5.18	0.24	13.64	17.73	4.09	10.25	14.46	4.21
	APL	6.50	7.25	0.75	5.00	5.21	0.21	13.73	17.58	3.85	10.22	14.59	4.37
	Card-less	6.25	7.62	1.37	5.00	5.12	0.12	14.00	17.00	3.00	10.16	14.25	4.09
	Total	6.35 (100.0)	7.24 (114.0)	0.89 (14.0)	4.95 (100.0)	5.19 (104.8)	0.24 (4.8)	13.67 (100.0)	17.65 (129.1)	3.98 (29.1)	10.24 (100.0)	14.52 (141.8)	4.27 (41.8)
Saidabad	BPL	6.33	6.65	1.32	4.91	4.98	0.07	13.74	17.39	3.65	10.18	14.29	4.11
	APL	-	6.71	6.71	-	4.98	4.98	13.68	17.52	3.84	10.11	14.31	4.20
	Total	6.33 (100.0)	6.67 (114.4)	0.34 (14.4)	4.91 (100.0)	4.98 (101.4)	0.07 (1.4)	13.72 (100.0)	17.49 (127.5)	3.77 (27.5)	10.16 (100.0)	14.30 (140.7)	4.14 (40.7)
Kaurihar	BPL	6.16	7.40	1.24	5.00	5.07	0.07	13.50	17.11	3.61	10.00	13.57	3.57
	APL	6.26	7.41	1.15	5.00	5.06	0.06	13.53	17.41	3.88	10.00	14.21	4.21
	Total	6.25 (100.0)	7.29 (116.6)	1.04 (16.6)	5.00 (100.0)	5.07 (101.4)	0.07 (1.4)	13.53 (100.0)	17.28 (127.7)	3.75 (27.7)	10.00 (100.0)	13.93 (139.3)	3.93 (39.3)
Phulpur	BPL	6.38	6.95	0.57	4.91	5.12	0.21	13.39	17.44	4.05	10.00	14.18	4.18
	APL	-	7.07	7.07	-	5.09	5.09	13.41	17.54	4.13	10.00	14.34	4.34
	Total	6.38 (100.0)	7.00 (109.7)	0.62 (9.7)	4.91 (100.0)	5.11 (104.1)	0.20 (4.1)	13.39 (100.0)	17.48 (130.5)	4.09 (30.5)	10.00 (100.0)	14.25 (142.5)	4.25 (42.5)
Bharatganj	BPL	6.26	7.73	1.47	4.95	5.46	0.51	13.64	17.61	3.97	10.21	14.22	4.01
	APL	-	8.18	8.18	-	5.66	5.66	13.50	17.74	4.24	10.01	13.41	3.40
	Total	6.26 (100.0)	9.77 (156.1)	3.51 (56.1)	4.95 (100.0)	5.54 (111.9)	0.59 (11.9)	13.57 (100.0)	17.66 (130.1)	4.09 (30.1)	10.13 (100.0)	13.89 (137.1)	3.76 (37.1)
Total	BPL	6.46	7.12	0.66	5.03	5.10	0.07	13.59	17.40	3.81	10.10	14.09	3.99
	APL	6.77	7.29	0.52	5.15	5.13	-0.02	13.58	17.50	3.92	10.07	14.20	4.13
	Card-less	6.25	7.63	1.38	5.16	5.18	0.02	13.75	17.33	3.58	10.05	14.54	4.49
	Total	6.22 (100.0)	7.19 (115.6)	0.97 (15.6)	5.05 (100.0)	5.11 (101.2)	0.06 (1.2)	13.59 (100.0)	17.43 (128.3)	3.84 (28.3)	10.09 (100.0)	13.50 (133.8)	3.41 (33.8)

Source: Field survey.

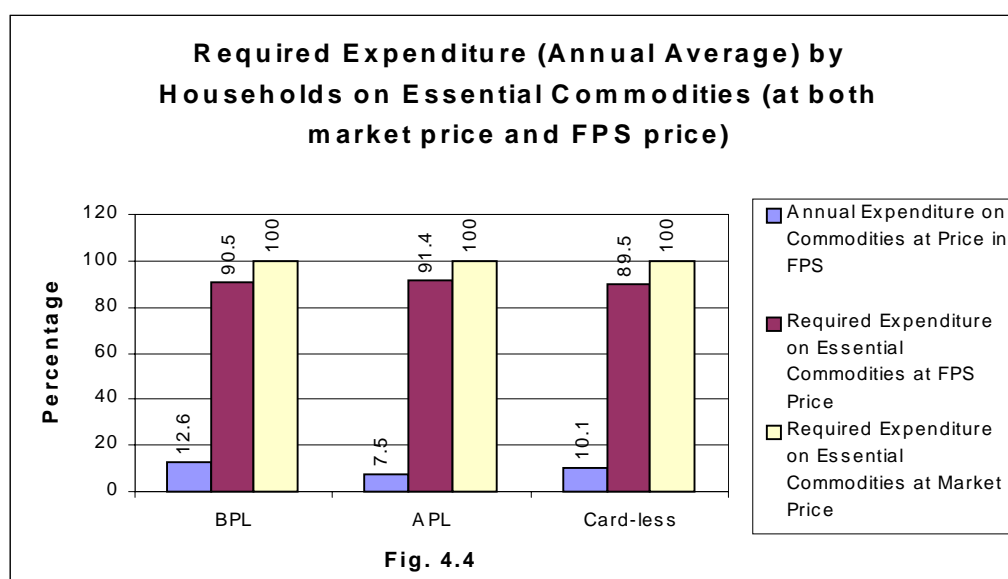
Annual expenditure by BPL households on items actually supplied by FPSs and received by households shows higher percentage (12.6) of their market-based expenditure relative to the same of APL households (7.5). One interpretation could be that if all the required items were distributed through the FPSs at FPS prices, the possibility of saving (or income transfer) would be more for APL households; for BPL households, it is 87.4 per cent increase (100.0 -- 12.6) while for APL it is 92.5 per cent increase (100 -- 7.5). This is where the question of targeting the BPL comes in terms of coverage by FPSs (Table 4.21 & Fig. 4.4).

Table 4.21
Required Expenditure (Annual Average) by Households on Essential Commodities
(At both Market Price and FPS Price)

Categories	Annual Expenditure on Commodities at Prices in FPS ¹	Required Expenditure on Essential Commodities	
		At FPS Price ²	At Market Price ²
BPL	853.17 (12.6)	6111.08 (90.5)	6751.56 (100.0)
APL ³	583.55 (7.5)	7088.03 (91.4)	7754.77 (100.0)
Card-less ⁴	606.93 (10.1)	5355.22 (89.5)	5983.26 (100.0)
Total	740.81 (10.0)	6264.80 (84.4)	7421.66 (100.0)

- Note:** 1. Annual expenditure on FPS has been calculated based on average monthly quantity of Rice, Wheat, Sugar, and Kerosene drawn by households evaluated at average FPS prices.
2. The required expenditure has been calculated based on annual quantity of essential commodities required, evaluated at both FPS prices and market prices of Rice, Wheat, Sugar, and Kerosene.
3. Rice and Wheat are not supposed to be distributed to APL households at same prices meant for BPL households but some APL households are reported to have taken these items in illegal manner.
4. These households have been found card-less during the field survey but they have taken some items from FPS dealers.

Source: Field survey.



4.7 Regularity in Purchasing Items from FPSs

We inquired about whether or not the households purchase items regularly from the FPSs. If yes, how much, and if not, why not. Let us examine the response we got.

In totality, over all the Blocks and Towns surveyed, covering both BPL and APL, we find 84.9 per cent of households responded as not buying rice and wheat regularly from FPSs. Non-regular purchase of foodgrains (rice and wheat) covers 76.7 per cent of all BPL households, while for APL households it is 96.5 per cent. For sugar, the overall percentage of households showing non-regular purchase is 60.6, it is 66.3 per cent for BPL households while it is 52.2 per cent for APL households. The case of 'regular purchase' for kerosene covers 98.5 per cent of households of which percentage for BPL households is 98.4 and APL households, 98.0. The percentages of BPL and APL households as regular buyers of items are calculated taking total number of households in the respective categories in the denominator. **Thus, only kerosene as an essential item satisfies the objective of regular purchase by households, independent of the price per unit of kerosene.**

There are high inter-regional (Blockwise and Townwise) variations in terms of regularity of items bought by households, and BPL and APL separately in a particular Block. For example, for Karchhana, the percentage of households reported to be buying rice and wheat 'non-regularly' is the maximum at 84.0 while it is minimum at 50.3 for Saidabad. For the urban areas this incidence of non-regular purchase of rice and wheat by households is very high, for Bharatganj it covers 95.0 per cent of the households while for Phulpur it is 92.0 per cent. The inter-Block variation in non-regular purchase of sugar ranges from the maximum at 74.3 per cent of the households for Sankargarh and the minimum at 49.7 per cent for Saidabad. In between these lie Kaurihar and Karchhana. For kerosene, the inter-Block and inter-Town variations in non-regular purchase do not carry much operational meaning since nearly cent per cent of households in all the Blocks and Towns regularly purchase kerosene. The households, total, Blockwise and Townwise, thus are unequally distributed so far as regular or non-regular purchase of items are concerned. **While for kerosene the response to supply by FPSs is same or similar for all households, BPL and APL, over all Blocks and Towns, for each of rice, wheat, and sugar the response is poor in terms of regular purchases from FPSs.** There are intra-block and intra-town differences between BPL and APL households in terms of non-regular purchases of essential items (Table 4.22).

Table 4.22
Regularity in Purchasing Items from FPSs by Households

Block/Town	Categories	Foodgrains		Sugar		Kerosene		Total
		Yes	No	Yes	No	Yes	No	
Shankargarh	BPL	56	157	35	178	211	2	213
	APL	17	63	42	38	74	6	80
	Card-less	-	7	-	7	7	-	7
	Total	73 (24.3)	227 (75.7)	77 (25.7)	223 (74.3)	292 (97.3)	8 (2.7)	300 (100.0)
Karchhana	BPL	43	111	57	97	148	6	154
	APL	3	139	34	108	141	1	142
	Card-less	2	2	1	3	3	1	4
	Total	48 (16.0)	252 (84.0)	92 (30.7)	208 (69.3)	292 (97.3)	8 (2.7)	300 (100.0)
Saidabad	BPL	12	184	80	116	193	3	196
	APL	-	104	71	33	104	-	104
	Total	12 (4.0)	288 (96.0)	151 (50.3)	149 (49.7)	297 (99.0)	3 (1.0)	300 (100.0)
Kaurihar	BPL	65	66	42	89	130	1	131
	APL	-	169	61	108	169	-	169
	Total	65 (21.7)	235 (78.3)	103 (34.3)	197 (65.7)	299 (99.7)	1 (0.3)	300 (100.0)
Phulpur	BPL	8	51	30	29	59	-	59
	APL	-	41	31	10	41	-	41
	Total	8 (8.0)	92 (92.0)	61 (61.0)	39 (39.0)	100 (100.0)	-	100 (100.0)
Bharatganj	BPL	5	54	30	29	58	1	59
	APL	-	41	37	4	41	-	41
	Total	5 (5.0)	95 (95.0)	67 (67.0)	33 (33.0)	99 (99.0)	1 (1.0)	100 (100.0)
Total	BPL	189 (23.3)	623 (76.7)	274 (33.7)	538 (66.3)	799 (98.4)	13 (1.6)	812 (100.0)
	APL	20 (3.5)	557 (96.5)	276 (47.8)	301 (52.2)	570 (98.8)	7 (1.2)	577 (100.0)
	Card-less	2 (18.2)	9 (81.8)	1 (9.1)	10 (90.9)	10 (90.9)	1 (9.1)	11 (100.0)
	Total	211 (15.1)	1189 (84.9)	551 (39.4)	849 (60.6)	1379 (98.5)	21 (1.5)	1400 (100.0)

Note: Foodgrains imply rice and wheat.

Source: Field survey.

4.7.1 Reasons for Non-Regular Purchase of Rice, Wheat, and Sugar from FPSs

Let us consider now the basic reasons (may not be exhaustive) behind 'non-regular purchase' of essential items by households, BPL and APL, from FPSs. As far as rice and wheat are concerned, 40.7 per cent of the households (1400) reported that these items are not distributed or distributed very infrequently. The BPL households of the total (570), who responded by citing 'non-distribution of these items', constituted higher percentage relative to APL households. Next, come two major reasons for non-regular purchase of rice and wheat from FPS, namely, 'non-allotment' for APL and 'unfelt need for items distributed through FPS'. These three reasons cover more than 70.0 per cent of all the households citing various reasons (often overlapping reasons) for non-regular purchase from FPSs. For example, the

'poor quality of items', the 'low market rate prevailing for items', 'irregular distribution through FPSs', 'information not available' may explain partially the reason cited as 'No need for FPS items'. Among other reasons cited comes 'absence of disposable money at a point of time'. **As such, the reasons, though seem to be overlapping, show the dissection of reasons rooted in less than perfect functioning of the PDS network so far as rice and wheat are concerned.** The relative weights on these reasons also differ between BPL and APL households. For example, for BPL households 'absence of disposable money at a point of time' is a major explanatory factor for non-regular purchase of rice and wheat, while for APL households it is not. In addition to 'weight-differential', the reasons cited by the respective categories of households, BPL and APL, sometimes seem confusing. For example, **'low market rate' for the item (rice and wheat) is cited more by BPL households (89.6 per cent constituted by BPL category in this reason) relative to APL households.** It may be that the BPL families respond more to lower rate prevailing in the open market relative to the response to higher rate by APL households for slightly differentiated products of the same, say, rice or wheat (Table 4.23).

Table 4.23
Reasons for Non-Regular Purchase of Foodgrains from FPSs

Reasons	BPL	APL	Card-less	Total
Non-distributed items	380 (46.8)	186 (32.2)	4 (36.4)	570 (40.7)
No need for FPS items	73 (9.0)	129 (22.4)	-	202 (14.4)
Poor quality of items	7 (0.9)	3 (0.5)	2 (18.2)	12 (0.9)
Low market price	112 (13.8)	13 (2.3)	-	125 (8.9)
Irregular distribution through FPSs	-	1 (0.2)	-	1 (0.1)
Lack of disposable money at a point of time	34 (4.2)	4 (0.7)	3 (27.3)	41 (2.9)
Information not available	10 (1.2)	2 (0.4)	-	12 (0.9)
Non-allotted for APL	7 (0.9)	219 (38.0)	-	226 (16.2)
Regular withdrawal	189 (23.3)	20 (3.5)	2 (18.2)	211 (15.1)
Total	812 (100.0)	577 (100.0)	11 (100.0)	1400 (100.0)

Source: Field survey.

The reasons cited by the households, separately BPL and APL households, for non-regular purchase of sugar are similar to those cited in case of rice and wheat. In case of sugar, the majority explanation goes in terms of 'Items not distributed', 'Lack of disposable money at a point of time', and 'No need for sugar in the consumption basket'. 'Lack of disposable money' explains the case more of BPL households relative to the APL households. Within the BPL households (812), 'Items not distributed', 'No need for sugar in the household consumption basket' and 'Lack of disposable money' explain 60.0 per cent of

the BPL households citing the reasons for non-regular purchase of sugar. The availability and need for sugar during the 'Festivals' come as additional explanatory factors for non-regular purchase of sugar (Table 4.24).

Table 4.24
Reasons for Non-Regular Purchase of Sugar from FPSs

Reasons	BPL	APL	Card-less	Total
Non-distribution of items	243 (29.9)	199 (34.5)	2 (18.2)	444 (31.7)
Poor quality	6 (0.7)	7 (1.2)	1 (9.1)	14 (1.0)
Lack of disposable money at a point of time	91 (11.2)	23 (4.0)	3 (27.3)	117 (8.4)
Problems to get it and by little quantity	4 (0.5)	4 (0.7)	-	8 (0.6)
Information not available	13 (1.6)	1 (0.2)	-	14 (1.0)
No need for sugar	158 (19.5)	44 (7.6)	3 (27.3)	205 (14.6)
Need only during festival	23 (2.8)	23 (4.0)	1 (9.1)	47 (3.4)
Regular withdrawal	274 (33.7)	276 (47.8)	1 (9.1)	551 (39.4)
Total	812 (100.0)	577 (100.0)	11 (100.0)	1400 (100.0)

Source: Field survey.

4.7.2 Regularity in Consumption of Sugar by Households and Its Fulfillment by Purchase from FPSs

Of the 1400 households surveyed, 71.6 per cent reported to consume sugar regularly. Of the 812 households constituting the BPL category, 62.1 per cent reported to consume sugar regularly while of the 57.7 per cent APL households, 86.3 per cent reported regular consumption of sugar. This regular consumption does not necessarily imply regular purchases from the FPSs; it only implies sugar as regular consumable item, whether or not bought from the FPSs. There are inter-Block and inter-Town variations in terms of 'regular consumption' of sugar, ranging from the maximum percentage of households reporting regular consumption at 81.7 for Saidabad and minimum at 59.8 for Shankargarh. For inter-Town variations, it is higher for Phulpur at 88.0 while for Bharatganj the percentage of households reporting regular consumption of sugar is 74.0. There are also intra-Block variations in percentage of households reporting regular consumption of sugar. While more of BPL households (within each Block) in Sankargarh and Saidabad reported regular consumption of sugar, less of BPL households reported regular consumption sugar for Karchhana and Kaurihar, relative to the response of APL households. **The response of economic categories, BPL and APL, thus shows 'opposite relative response' intra-block, relative to APL households (Table 4.25).** The total number of households responding as buyers of sugar, the item being in their regular consumption basket, constitute 71.6 per cent of all households (1400) surveyed. Of this truncated section of sugar

consumers, only 31.7 per cent households buy the total required amount from the FPSs, while 42.4 percent households buy the total required amount from the open market, the rest 25.9 per cent of households meet their sugar requirements partially from the open market and partially from the FPSs.

Table 4.25
Regular Consumption of Sugar by Households

Block/Town	Categories	Consumed	Not Consumed	Total
Shankargarh	BPL	105	108	213
	APL	73	7	80
	Card-less	-	7	7
	Total	178 (59.3)	122 (40.7)	300 (100.0)
Karchhana	BPL	93	61	154
	APL	125	17	142
	Card-less	1	3	4
	Total	219 (73.0)	81 (27.0)	300 (100.0)
Saidabad	BPL	148	48	196
	APL	97	7	104
	Total	245 (81.7)	55 (18.3)	300 (100.0)
Kaurihar	BPL	71	60	131
	APL	128	41	169
	Total	199 (66.3)	101 (33.7)	300 (100.0)
Phulpur	BPL	52	7	59
	APL	36	5	41
	Total	88 (88.0)	12 (12.0)	100 (100.0)
Bharatganj	BPL	35	24	59
	APL	39	2	41
	Total	74 (74.0)	26 (26.0)	100 (100.0)
Total	BPL	504 (62.1)	308 (37.9)	812 (100.0)
	APL	498 (86.3)	79 (13.7)	577 (100.0)
	Card-less	1 (9.1)	10 (90.9)	11 (100.0)
	Total	1003 (71.6)	397 (28.4)	1400 (100.0)

Source: Field survey.

Of the BPL consumers of sugar, which is 62.06 per cent of all BPL households (812), only 32.5 per cent responded as satisfying the whole quota of sugar from the FPSs, 43.1 per cent buy wholly from the open market, and the rest of the households buy partially from both open market and FPSs. For APL consumers of sugar that stands at 86.30 per cent of all APL households (577), 30.9 per cent meet their whole requirements of sugar from FPSs, while 41.8 per cent satisfy requirements only from open market, the rest satisfy their sugar requirements partially from both open market and FPSs (Table 4.26).

There are inter-regional variations (inter-Block and inter-Town) and also intra-regional (among BPL and APL categories) variations in requirement of sugar met by FPS vis-a-vis open market. **In general, the households satisfying their requirements of sugar wholly from FPSs at the level of Blocks and Towns center around the average at the level of the district which is around 31.7 per cent of households.**

**Table 4.26
Consumption of Required Sugar Purchased Through FPS and Open Market**

Block/Town	Categories	Open Market		FPSs	Total
		Whole	Partial		
Shankargarh	BPL	62	14	29	105
	APL	27	19	27	73
	Total	89 (50.0)	33 (18.5)	56 (31.5)	178 (100.0)
Karchhana	BPL	41	14	38	93
	APL	91	14	20	125
	Card-less	-	1	-	1
	Total	132 (60.3)	29 (13.2)	58 (26.5)	219 (100.0)
Saidabad	BPL	65	47	36	148
	APL	21	36	40	97
	Total	86 (35.1)	83 (33.9)	76 (31.0)	245 (100.0)
Kaurihar	BPL	28	18	25	71
	APL	64	31	33	128
	Total	92 (46.2)	49 (24.6)	58 (29.2)	199 (100.0)
Phulpur	BPL	14	21	17	52
	APL	4	20	12	36
	Total	18 (20.5)	41 (46.6)	29 (32.9)	88 (100.0)
Bharatganj	BPL	7	9	19	35
	APL	1	16	22	39
	Total	8 (10.8)	25 (33.8)	41 (55.4)	74 (100.0)
Total	BPL	217 (43.1)	123 (24.4)	164 (32.5)	504 (100.0)
	APL	208 (41.8)	136 (27.3)	154 (30.9)	498 (100.0)
	Card-less	-	1 (100.0)	-	1 (100.0)
	Total	425 (42.4)	260 (25.9)	318 (31.7)	1003 (100.0)

Source: Field survey.

4.8 Required Quantity of Kerosene Per Period: Sufficiency in Supplying through the FPSs and Supporting Non-FPS Sources

About the allotted quantity of kerosene distributed through the FPSs, 53.4 per cent of the households expressed that the supplied quantity per capita per period is sufficient to meet their requirements. Of these satisfied households (747), the BPL households constitute 61.44 per cent. Among all BPL households (812), the satisfied BPL households constitute 56.5 per

cent. Among all APL households, 49.0 per cent are satisfied in the sense we understood from the response of the households.

Of the 46.6 per cent of all households who expressed insufficiency in allotment and distribution of kerosene, BPL households constitute 54.04 per cent. These unsatisfied BPL households constitute 43.5 per cent of all BPL households (812).

The Block-wise variations in distribution of households, satisfied by 'Sufficiency in distribution of kerosene through FPSs, range from 34.0 per cent for Kaurihar at minimum and 64.3 per cent for Sankargarh. For towns, the variations stand at 77.0 per cent of households for Phulpur at the minimum and 83.0 per cent for Bharatganj at the maximum. Of the satisfied households, BPL constitutes both more and less in percentage terms relative to APL percentages, the intra-BPL and intra-APL percentages considered within each Block. For example, for Karchhana, 'BPL households satisfied as percentage of all BPL households in the Block' is more than 'APL households satisfied as percentage of all APL households in the Block', while for Shankargarh the opposite is true. **There is thus no unique indication of the extent of satisfaction expressed by BPL and APL households by the indicator of sufficiency in distribution of Kerosene (Table 4.27).**

Table 4.27
Response of the Households about Distributed Quantity of Kerosene in FPSs

Block/Town	Categories	Sufficient	Insufficient	Total
Shankargarh	BPL	133	80	213
	APL	58	22	80
	Card-less	2	5	7
	Total	193 (64.3)	107 (35.7)	300 (100.0)
Karchhana	BPL	92	62	154
	APL	62	80	142
	Card-less	3	1	4
	Total	157 (52.3)	143 (47.7)	300 (100.0)
Saidabad	BPL	87	109	196
	APL	48	56	104
	Total	135 (45.0)	165 (55.0)	300 (100.0)
Kaurihar	BPL	46	85	131
	APL	56	113	169
	Total	102 (34.0)	198 (66.0)	300 (100.0)
Phulpur	BPL	51	8	59
	APL	26	15	41
	Total	77 (77.0)	23 (23.0)	100 (100.0)
Bharatganj	BPL	50	9	59
	APL	33	8	41
	Total	83 (83.0)	17 (17.0)	100 (100.0)
Total	BPL	459 (56.5)	353 (43.5)	812 (100.0)
	APL	283 (49.0)	294 (51.0)	577 (100.0)
	Card-less	5 (45.5)	6 (54.5)	11 (100.0)
	Total	747 (53.4)	653 (46.6)	1400 (100.0)

Source: Field survey.

Of the 'not-fully satisfied' households (653) so far as allotment and distribution of kerosene is concerned, 88.4 per cent reported to satisfy the requirement through purchase from the open market, while 1.2 per cent of these households buy the same item at higher rates from the same FPS, and 10.4 per cent of households 'anyhow adjust' by 'flexibility in consumption'. **The distribution of households, who satisfy the extra requirement of Kerosene (extra in the sense of consumption requirement of kerosene over what is distributed per period) from open market, are evenly distributed over APL and BPL households, when the percentages of these households are calculated as percentages of their respective totals in the district. Of the 'not fully satisfied' households, there are inter-Block and inter-town variations in percentages of households and also intra-Block and intra-town variations by BPL and APL categories of households with no uniqueness to show if a particular Block or economic category remains non-satisfied.** There are inter-regional (Block-wise and Town-wise) variations in responses of the households buying Kerosene from open market, and also variations intra-region (Block and Town) for BPL and APL categories expressed in terms of the percentages of their respective totals in a particular Block or town. The intra-regional variations do not show any particular (unique) category, by BPL and APL, responding more to open market purchase of kerosene. For inter-block variations in percentages of households buying from open market, Shankargarh reported the maximum at 69.2 per cent while Saidabad reported the maximum at 98.2 per cent, the percentages calculated as Block summation of both the economic categories, BPL and APL (**Table 4.28**).

4.9.1 Distribution of Rice and Wheat by Quantity: The Extent of Satisfaction of the Households

So far as the distribution of rice and wheat is concerned, only 9.6 per cent of households reported to have been satisfied in case of rice and only 8.9 per cent of households satisfied in case of wheat at the district level. The unsatisfied percentages of households for the respective items are 14.3 and 14.7. Both these cases, 'satisfied' and 'unsatisfied' show the average calculated over all households, in all Blocks and towns over all the economic categories, BPL and APL. The extent of the households being satisfied by the distribution of rice and wheat per capita per period is explained most by two factors, 'non-availability' and 'not-allotment'. **Mostly the APL households cover the non-allotment factor for each of rice and wheat.** While 38.1 per cent of all households, by BPL and APL categories, report 'non-allotment' as the factor behind the extent of satisfaction, in case of rice the APL households constitute 97.0 per cent of the absolute total (BPL+APL) number of households at 534 that represent the cases of non-allotment of rice. For wheat, non-allotment is cited by 38.1 per cent of all households, the absolute number of such households being 534, of which 97.0 per cent is covered by APL households. As a percentage of all APL households (577), the cases of non-allotment come to be 89.77 per cent of APL households for each of rice and wheat.

Table 4.28
Required Quantity of Kerosene met by Non-FPS Sources for Not-Fully-Satisfied Households

Block/Town	Categories	Black or Open Market	Higher Rate in FPS	Adjustment Any how	Total
Shankargarh	BPL	55	2	23	80
	APL	16	1	5	22
	Card-less	3	-	2	5
	Total	74 (69.2)	3 (2.8)	30 (28.0)	107 (100.0)
Karchhana	BPL	54	1	7	62
	APL	65	3	12	80
	Card-less	1	-	-	1
	Total	120 (83.9)	4 (2.8)	19 (13.3)	143 (100.0)
Saidabad	BPL	108	-	1	109
	APL	54	-	2	56
	Total	162 (98.2)	-	3 (1.8)	165 (100.0)
Kaurihar	BPL	82	-	3	85
	APL	104	1	8	113
	Total	186 (93.9)	1 (0.5)	11 (5.6)	198 (100.0)
Phulpur	BPL	8	-	-	8
	APL	13	-	2	15
	Total	21 (91.3)	-	2 (8.7)	23 (100.0)
Bharatganj	BPL	6	-	3	9
	APL	8	-	-	8
	Total	14 (82.4)	-	3 (17.6)	17 (100.0)
Total	BPL	313 (88.7)	3 (0.8)	37 (10.5)	353 (100.0)
	APL	260 (88.4)	5 (1.7)	29 (9.9)	294 (100.0)
	Card-less	4 (66.7)	-	2 (33.2)	6 (100.0)
	Total	577 (88.4)	8 (1.2)	68 (10.4)	653 (100.0)

Source: Field survey.

There are, however, inter-Block variations in percentage of APL households reporting non-allotment of rice (percentage calculated over Block-specific total APL households). The variations range from 70.0 per cent of APL households in Sankargarh at the minimum and 95.85 per cent for Kaurihar at the maximum, in between come Karchhana (89.43 per cent) and Saidabad (92.30 per cent). **Non-distribution of rice to APL households thus is not uniform for blocks.** The same is true in case of non-distribution of rice for APL households for towns. We can also look at inter-regional variations in percentage of APL households reporting non-distribution of wheat. The variations show identical picture as we got in case of rice. **What it shows is that the same set of APL households cited non-distribution of rice and wheat, Block-wise, town-wise and total for the district.**

The factor that explains the seriousness of the problem in distribution of rice and wheat is given by 'non-availability' as distinct from non-distribution. For each of rice and wheat, 30.6 per cent of the households report non-availability at the district level. Of this category of households characterized by 'non-availability of rice', BPL households constitute 91.37 per cent of the total households citing non-availability of rice as a factor (429), which is the same as for non-availability of wheat. The BPL households thus deprived of availability at the district level constitute 48.3 per cent of all BPL households (812) for each of rice and wheat. The APL households reporting non-availability of each of rice and wheat constitute only 4.85 per cent of their total number (577) surveyed at district level. As percentage of the households citing non-availability of each of rice and wheat (429 for each), APL households constitute 6.52 per cent. The rest of the households is covered by card-less households (Table 4.29).

4.9.2 Distribution of Sugar and Kerosene by Quantity: The Extent of Satisfaction of the Households

Regarding distribution of sugar by quantity, 29.6 per cent of the households expressed satisfaction while 19.6 per cent expressed dissatisfaction. The case of 'non-availability on demand' is expressed by 32.4 per cent of the households while 'unfelt need' is expressed by 18.4 per cent. There is no report of non-allotment of sugar, perhaps that is covered by 'unfelt need factor' or 'need not revealed' at the FPS level. For kerosene, the percentage of households satisfied by quantity distributed is as high as 54.0 per cent while 'unsatisfied' cases represent 44.8 per cent, the rest 1.2 per cent of households represent the case of 'non-availability of demand'. **There is no report of non-distribution and 'unfelt need' for kerosene for Blocks, Towns and hence for the District, considering both BPL and APL households.**

The inter-regional (Block-wise) variations in percentage of households satisfied by quantity of sugar distributed are marginal, excepting for Kaurihar. The 'unsatisfied' cases however, vary very much among households Blockwise with minimum at 9.3 per cent for karchhana and 24.3 per cent for Saidabad. **The distribution of the 'satisfied households' among BPL and APL Blockwise does not show any uniform trend for sugar.** This is based on calculation of 'BPL satisfied households' in a Block for sugar as percentage of total BPL households in the Block and the same repeated for 'APL satisfied households' as percentage of all APL households in the Block. **Similarly, the 'BPL unsatisfied households' as percentage of all BPL households for any Block does not show uniformly higher or lower percentage when compared with 'APL unsatisfied households' as percentage of all APL households for any particular Block, sugar being the item considered.**

Of the total number of households at the district level (454) reporting 'non-availability of sugar on demand', the percentage for BPL households is 53.52, while for APL it is 44.27, the rest of the cases covered by card-less households. These BPL households cover 29.92 per cent of all BPL households (812) while the total APL households reporting non-availability of sugar on demand constitute 34.83 per cent of all APL households (577) at the district level.

Table 4.29
The Extent of Satisfaction of the Households about Quantity of Rice and Wheat Distributed through the FPSs

Block/Town	Categories	Rice					Wheat					Total
		Satisfied	Un-satisfied	Not Allotted	Non-available on demand	Unfelt Need	Satisfied	Un-satisfied	Not Allotted	Non-available on demand	Unfelt Need	
Shankargarh	BPL	43	44	1	117	8	34	50	1	116	12	213
	APL	8	1	56	9	6	9	1	56	9	5	80
	Card-less	-	-	-	7	-	-	-	-	7	-	7
	Total	51 (17.0)	45 (15.0)	57 (19.0)	133 (44.3)	14 (4.7)	43 (14.3)	51 (17.0)	57 (19.0)	132 (44.0)	17 (5.7)	300 (100.0)
Karchhana	BPL	35	22	-	49	48	36	21	-	49	48	154
	APL	3	-	127	6	6	3	-	127	6	6	142
	Card-less	-	2	-	2	-	-	2	-	2	-	4
	Total	38 (12.7)	24 (8.0)	127 (42.3)	57 (19.0)	54 (18.0)	39 (13.0)	23 (7.7)	127 (42.3)	57 (19.0)	54 (18.0)	300 (100.0)
Saidabad	BPL	7	36	8	130	15	6	36	8	131	15	196
	APL	-	1	96	5	2	-	1	96	5	2	104
	Total	7 (2.3)	37 (12.3)	104 (34.7)	135 (45.0)	17 (5.7)	6 (2.0)	37 (12.3)	104 (34.7)	136 (45.3)	17 (5.7)	300 (100.0)
Kaurihar	BPL	21	58	1	37	14	20	59	1	37	14	131
	APL	-	1	162	3	3	1	1	162	3	2	169
	Total	21 (7.0)	59 (19.7)	163 (54.3)	40 (13.3)	17 (5.7)	21 (7.0)	60 (20.0)	163 (54.3)	40 (13.3)	16 (5.3)	300 (100.0)
Phulpur	BPL	11	27	5	16	-	11	27	5	16	-	59
	APL	-	-	40	1	-	-	-	40	1	-	41
	Total	11 (11.0)	27 (27.0)	45 (45.0)	17 (17.0)	-	11 (11.0)	27 (27.0)	45 (45.0)	17 (17.0)	-	100 (100.0)
Bharatganj	BPL	6	8	1	43	1	6	8	1	43	1	59
	APL	-	-	37	4	-	-	-	37	4	-	41
	Total	6 (6.0)	8 (8.0)	38 (38.0)	47 (47.0)	1 (1.0)	6 (6.0)	8 (8.0)	38 (38.0)	49 (49.0)	1 (1.0)	100 (100.0)
Total	BPL	123 (15.1)	195 (24.0)	16 (2.0)	392 (48.3)	86 (10.6)	113 (13.9)	201 (24.7)	16 (2.0)	392 (48.3)	90 (11.1)	812 (100.0)
	APL	11 (2.0)	3 (0.5)	518 (89.8)	28 (4.8)	17 (2.9)	13 (2.3)	3 (0.5)	518 (89.8)	28 (4.8)	15 (2.6)	577 (100.0)
	Card-less	-	2 (18.2)	-	9 (81.8)	-	-	2 (18.2)	-	9 (81.8)	-	11 (100.0)
	Total	134 (9.6)	200 (14.3)	534 (38.1)	429 (30.6)	103 (7.4)	125 (8.9)	206 (14.7)	534 (38.1)	429 (30.6)	105 (7.5)	1400 (100.0)

Source: Field survey.

Table 4.30
The Extent of Satisfaction of the Households about Quantity of Sugar and Kerosene Distributed through the FPSs

Block/Town	Categories	Sugar				Kerosene				Total
		Satisfied	Un-satisfied	Not available on demand	Unfelt Need	Satisfied	Unsatisfied	Not available on demand	Unfelt Need	
Shankargarh	BPL	46	35	66	66	134	74	5	-	213
	APL	37	19	23	1	56	20	4	-	80
	Card-less	-	-	7	-	4	3	-	-	7
	Total	83 (27.7)	54 (18.0)	96 (32.0)	67 (22.3)	194 (64.7)	97 (32.3)	9 (3.0)	-	300 (100.0)
Karchhana	BPL	59	14	45	36	97	51	6	-	154
	APL	27	13	87	15	62	80	-	-	142
	Card-less	-	1	3	-	-	3	1	-	4
	Total	86 (28.7)	28 (9.3)	135 (45.0)	51 (17.0)	159 (53.0)	134 (44.7)	7 (2.3)	-	300 (100.0)
Saidabad	BPL	47	42	71	36	90	105	1	-	196
	APL	44	31	22	7	49	55	-	-	104
	Total	91 (30.3)	73 (24.3)	93 (31.0)	43 (14.3)	139 (46.3)	160 (53.3)	1 (0.3)	-	300 (100.0)
Kaurihar	BPL	21	33	27	50	48	83	-	-	131
	APL	37	33	64	35	58	111	-	-	169
	Total	58 (19.3)	66 (22.0)	91 (30.3)	85 (28.3)	106 (35.3)	194 (64.7)	-	-	300 (100.0)
Phulpur	BPL	26	12	14	7	51	8	-	-	59
	APL	18	17	3	3	25	16	-	-	41
	Total	44 (44.0)	29 (29.0)	17 (17.0)	10 (10.0)	76 (76.0)	24 (24.0)	-	-	100 (100.0)
Bharatganj	BPL	30	8	20	1	49	10	-	-	59
	APL	23	16	2	-	33	8	-	-	41
	Total	53 (53.0)	24 (24.0)	22 (22.0)	1 (1.0)	82 (82.0)	18 (18.0)	-	-	100 (100.0)
Total	BPL	229 (28.2)	144 (17.7)	243 (29.9)	196 (24.1)	469 (57.8)	331 (40.8)	12 (14.7)	-	812 (100.0)
	APL	186 (32.2)	129 (22.4)	201 (34.8)	61 (10.6)	283 (49.0)	290 (50.3)	4 (0.7)	-	577 (100.0)
	Card-less	-	1 (9.1)	10 (90.9)	-	4 (36.4)	6 (54.5)	1 (9.1)	-	11 (100.0)
	Total	415 (29.6)	274 (19.6)	454 (32.4)	257 (18.4)	756 (54.0)	627 (44.8)	17 (1.2)	-	1400 (100.0)

Source: Field survey.

As high as 24.1 per cent of all BPL households (812) expressed 'unfelt need' for sugar at the district level while for APL households the percentage is 10.6 of all APL households. As percentage of all households reporting 'unfelt need' for sugar, BPL households constitute 76.26 per cent.

The BPL households satisfied with distribution of kerosene through FPSs constitute 57.8 percent of all BPL households (812) in the district. Of the satisfied total households for Kerosene (756) at the district level the BPL households constitute 62.03 per cent while APL households constitute 37.43 per cent. The rest of the households is explained by cardless cases (0.52) who are 'surprisingly satisfied somehow' with distribution of kerosene. It may be that the cardless households get kerosene at higher prices through the same FPSs. Of the total unsatisfied households (627), BPL and APL taken together for kerosene, BPL households constitute 52.79 per cent while APL households cover 46.25 per cent, the rest (0.95 per cent) is covered by cardless households. The BPL unsatisfied households as percentage of BPL total households (812) represent 40.8 per cent, while for APL unsatisfied households, it is 50.3 per cent of all APL households (577). For kerosene the 'non-availability on demand' factor is nearly absent, as reported by the households (**Table 4.30**).

4.10 Awareness of the Households

Let us examine the awareness of the households in terms of some indicators we think relevant here. These indicators are visibility of price chart at FPSs, and hence price information and also the names of FPS dealers as known to the households.

(a) Price Chart at Fair Price Shops

Of the total households surveyed in the district, as high as 61.4 per cent reported non-availability of 'price chart' in the FPSs while 24.4 per cent reported availability of this chart. The rest of the households (14.3 per cent) reported their ignorance about the existence of Price Chart in the FPS.

The BPL households, as a percentage of all BPL households, who reported non-availability of price chart, constituted 68.1 per cent while the APL households, as percentage of all APL households, reporting non-availability of this chart, came to be 52.0 per cent. Of the total households (859) reporting 'non-availability of price chart', BPL households constitute 64.37 per cent, while APL households 34.92 per cent, the rest (0.07 percent) covered by cardless households. Of the total households (341) who observe price chart in FPSs, BPL households constitute 43.69 per cent while APL households constitute 55.13 per cent, the rest being covered by cardless cases. The BPL households reporting availability of price chart is 18.34 per cent of all BPL households (812) in the district. Calculated similarly, the APL households reporting availability of Price Chart is 32.58 per cent of all APL households in the district. **The non-availability of Price Chart at FPS thus is cited more by BPL households, the latter seen as percentage of all BPL households reporting non-availability and seen also as percentage of all households reporting non-availability of Price Chart.**

The ignorance of the households reported regarding existence of Price Chart at FPS shows a higher percentage of APL relative to BPL, both calculated as percentages of their respective totals at the district level. As a percentage of all ignorant households so far as Price Chart is concerned, BPL households constitute 55.0 per cent while APL households constitute 44.5 per cent, the rest covered by card-less households.

There are inter-regional (Block-wise and Town-wise) variations in percentage of households, separately for BPL and APL, regarding availability and non-availability of Price Chart, and regarding ignorance about the existence of Price Chart. Blockwise the ignorance is maximum for Karchhana and minimum for Sankargarh. **The 'ignorance' factor is much less for urban areas relative to the rural ones (Table 4.31).**

Table 4.31
Awareness of the Households about Price Chart at FPS and Price Information

Block/Town	Categories	Price Chart Available			Correct Price Maintained			Total
		Yes	No	Do not know	Yes	No	Do not know	
Shankargarh	BPL	10	179	24	2	8	-	213
	APL	32	47	1	6	26	-	80
	Card-less	2	5	-	1	1	-	7
	Total	44 (14.7)	231 (77.0)	25 (8.3)	9 (3.0)	35 (11.7)	-	300 (100.0)
Karchhana	BPL	57	56	41	18	32	7	154
	APL	36	72	34	15	21	-	142
	Card-less	2	1	1	-	1	1	4
	Total	95 (31.7)	129 (43.0)	76 (25.3)	33 (11.0)	54 (18.0)	8 (2.7)	300 (100.0)
Saidabad	BPL	21	154	21	5	13	3	196
	APL	26	69	9	11	14	1	104
	Total	47 (15.7)	223 (74.3)	30 (10.0)	16 (5.3)	27 (9.0)	4 (1.3)	300 (100.0)
Kaurihar	BPL	26	88	17	12	10	4	131
	APL	37	88	44	14	21	2	169
	Total	63 (21.0)	176 (58.7)	61 (20.3)	26 (8.7)	31 (10.3)	6 (2.0)	300 (100.0)
Phulpur	BPL	21	31	7	5	12	4	59
	APL	24	17	-	15	9	-	41
	Total	45 (45.0)	48 (48.0)	7 (7.0)	20 (20.0)	21 (21.0)	4 (4.0)	100 (100.0)
Bharatganj	BPL	14	45	-	4	8	2	59
	APL	33	7	1	13	18	2	41
	Total	47 (47.0)	52 (52.0)	1 (1.0)	17 (17.0)	26 (26.0)	4 (4.0)	100 (100.0)
Total	BPL	149 (18.3)	553 (68.1)	110 (13.5)	46 (5.7)	83 (10.2)	20 (2.5)	812 (100.0)
	APL	188 (32.6)	300 (52.0)	89 (15.4)	74 (12.8)	109 (19.0)	5 (0.9)	577 (100.0)
	Card-less	4 (36.4)	6 (54.5)	1 (9.1)	1 (9.1)	2 (18.2)	1 (9.1)	11 (100.0)
	Total	341 (24.4)	859 (61.4)	200 (14.3)	121 (8.6)	194 (13.9)	26 (1.9)	1400 (100.0)

Source: Field survey.

(b) Price Information by Price Chart

Of the total households reporting availability of Price Chart (341), as low as 35.48 per cent confirmed availability of correct Price information in the FPS, which is only 8.6 per cent of

all households (1400). As high as 56.89 per cent of all households reporting availability of Price chart' negated existence of correct Price Chart, or confirmed existence of incorrect Price Chart. The households who negated existence of correct Price Chart constituted 13.9 per cent of all households (1400). The households who affirmed availability of Price Chart but expressed ignorance about the correctness of Price Information provided by the Chart is 7.62 per cent, which is 1.9 per cent of all households. **The correctness of Price Information, even when the Price Chart is available in FPSs, thus is questionable, as reported by the households of all categories, BPL and APL.**

There are, however, inter-regional variations regarding 'confirmation in availability of correct information', 'non-confirmation of correct information in Price Chart' and 'ignorance in correctness of prices mentioned in the Chart'. **For urban (Town) areas, the percentage of households in the category of confirmation in availability of correct information is higher, relative to those for the rural (Block) areas.** The similar urban-rural positive differential also holds good for the remaining two categories studied on the question of correctness of information in Price Chart. **We found no unique weight-differential between BPL and APL households, weightage calculated by percentage of households in the respective categories as percentage of their respective total number in the Blocks and towns (Table 4.31).**

(c) Price Information by Items

Of the total households (1400) surveyed in the selected Blocks and Towns in the district, only 0.6 per cent confirmed their correct knowledge about the FPS price of rice, 0.7 per cent of the households confirmed knowledge about the FPS price of sugar, 1.4 percent of sugar, and 1.8 per cent of kerosene. Of the total (9) households having correct information of price of rice per kg., 5 comes from BPL and 4 from APL households. For wheat, the households having correct price information (10) is equally distributed between BPL and APL households. BPL households reported their ignorance about the price of sugar per kg. For kerosene, the APL households cover twice the number of BPL households of the total households having correct information on price of kerosene per liter. **The precise point is that most of the households, both BPL and APL, do not know the correct price of items being distributed for them through the FPSs.** The reasons for this lack of awareness, so far as correct price information of items distributed through FPSs is concerned, may be different between rural and urban areas. **The fact is that the households in urban areas (Phulpur and Bharatganj) did not confirm as having correct price information of rice and wheat.** Only two APL households, in Bharatganj town, each for sugar and Kerosene, confirmed as having correct price information for sugar and kerosene, while only one APL household in Phulpur confirmed having correct price information for kerosene.

The inter-regional variations (Block-wise and Town-wise) in the number and percentages of households (separately within BPL and APL and between BPL and APL) does not make much sense in a state of wholesome ignorance (lack of awareness) of most of the households about correct price information of items

distributed through the FPSs. The immediate task may be to launch campaign for the promotion of awareness of households about their 'right to correct price information' (**Table 4.32**).

Table 4.32
Awareness of the Households about Correct Price Information in Fair Price Shops

Block/Town	Categories	Households				Total
		Rice	Wheat	Sugar	Kerosene	
Shankargarh	BPL	2	2	2	3	213
	APL	3	4	6	6	80
	Card-less	-	-	-	-	7
	Total	5 (1.7)	6 (2.0)	8 (2.7)	9 (3.0)	300 (100.0)
Karchhana	BPL	1	1	1	1	154
	APL	-	-	1	5	142
	Card-less	-	-	-	-	4
	Total	1 (0.3)	1 (0.3)	2 (0.7)	6 (2.0)	300 (100.0)
Saidabad	BPL	1	1	2	3	196
	APL	-	-	1	3	104
	Total	1 (0.3)	1 (0.3)	3 (1.0)	6 (2.0)	300 (100.0)
Kaurihar	BPL	1	1	1	1	131
	APL	1	1	1	1	169
	Total	2 (0.7)	2 (0.7)	2 (0.7)	2 (0.7)	300 (100.0)
Phulpur	BPL	-	-	-	-	59
	APL	-	-	-	1	41
	Total	-	-	-	1 (1.0)	100 (100.0)
Bharatganj	BPL	-	-	-	-	59
	APL	-	-	1	1	41
	Total	-	-	1 (1.0)	1 (1.0)	100 (100.0)
Total	BPL	5 (0.6)	5 (0.6)	-	8 (1.0)	812 (100.0)
	APL	4 (0.7)	5 (0.9)	6 (0.6)	17 (2.9)	577 (100.0)
	Card-less	-	-	10 (1.7)	-	11 (100.0)
	Total	9 (0.6)	10 (0.7)	16 (1.4)	25 (1.8)	1400 (100.0)

Source: Field survey.

(d) Names of Fair Price Shop Dealers

Of the total households (1400) as high as 91.9 per cent know the names of the FPS dealers. Of the total BPL households (812), as high as 91.3 per cent, and of the total APL households (577), as high as 92.5 per cent know the names of FPS dealers. **Thus, the distribution of the households at the district level between BPL and APL households who know the names of FPS dealers is equiproportionately related with the distribution of all households selected between BPL and APL categories of households.**

The inter-regional (Block-wise and Town-wise) variations in distribution of all households, separately for intra-BPL and intra-APL, get manifested as high percentages of their respective totals, both Block-cum-Townwise and economic category wise. The block that draws attention, however, is Kaurihar where as high as 17.7 per cent of the households do not know the names of the FPS dealers serving them, and these 'ignorant households' in Kaurihar are equally distributed between BPL and APL households (Table 4.33).

Table 4.33
Awareness of the Households about the Names of FPS Dealers

Block/Town	Categories	Know	Do not Know	Total
Shankargarh	BPL	182	31	213
	APL	76	4	80
	Card-less	7	-	7
	Total	265 (88.3)	35 (11.7)	300 (100.0)
Karchhana	BPL	146	8	154
	APL	134	8	142
	Card-less	4	-	4
	Total	284 (94.7)	16 (5.3)	300 (100.0)
Saidabad	BPL	193	3	196
	APL	102	2	104
	Total	295 (98.3)	5 (1.7)	300 (100.0)
Kaurihar	BPL	105	26	131
	APL	142	27	169
	Total	247 (82.3)	53 (17.7)	300 (100.0)
Phulpur	BPL	58	1	59
	APL	39	2	41
	Total	97 (97.0)	3 (3.0)	100 (100.0)
Bharatganj	BPL	57	2	59
	APL	41	-	41
	Total	98 (98.0)	2 (2.0)	100 (100.0)
Total	BPL	741 (91.3)	71 (8.7)	812 (100.0)
	APL	534 (92.5)	43 (7.5)	577 (100.0)
	Card-less	11 (100.0)	-	11 (100.0)
	Total	1286 (91.9)	114 (8.1)	1400 (100.0)

Source: Field survey.

4.11.1 Response of the Households Regarding Withdrawal of Sugar from the PDS

Of the total households selected at the district level (1400), for 47.6 per cent the withdrawal of sugar from the PDS will make no difference, while for 52.4 percent it will make adverse effect. As high as 55.0 per cent of BPL households out of the total BPL households

(812) would experience no adverse effect if sugar is withdrawn from the PDS, while as high as 64.0 per cent of APL households out of the total APL households (577) would experience adverse effect on withdrawal of sugar from the PDS. **The question of withdrawal of sugar from the PDS is hypothetical in the sense that, given the actual consumption requirements of sugar of the respective economic categories and given prevailing actual prices in the open market and FPS, the question aims at examining what would happen if sugar is not at all distributed through the FPSs.**

There are Blocks where withdrawal of sugar will make much difference, e.g., Karchhana where 65.3 percent of the households responded that they would have adverse effect if sugar was withdrawn. The high overall percentage for this Block is explained more by APL households which is 71.8 per cent of total APL households in the Block. The BPL households as percentage of all BPL households in the Block who responded that they would have adverse effect with respect to withdrawal of sugar is 61.03 per cent for Karchhana Block.

The inter-Block variations in response of the households to the question of withdrawal of sugar show the 'non-adverse case' maximum for Sankargarh (65.3 per cent) and minimum for Karchhana (34.7 per cent). The BPL households as percentage of all BPL households in Sankargarh revealing 'non-adverse case' is 69.0 per cent, while for APL households as a percentage of all APL households in the Block it is 52.5 percent. **As natural, there is 'no uniform response in adverse effect' with respect to withdrawal of sugar from the PDS. There are inter-Block and inter-town variations in this response, and also there are inter-economic categories variations considered intra-Block and intra-town in terms of adverse and non-adverse cases in response to the question of withdrawal of sugar (Table 4.34 & Fig. 4.5).**

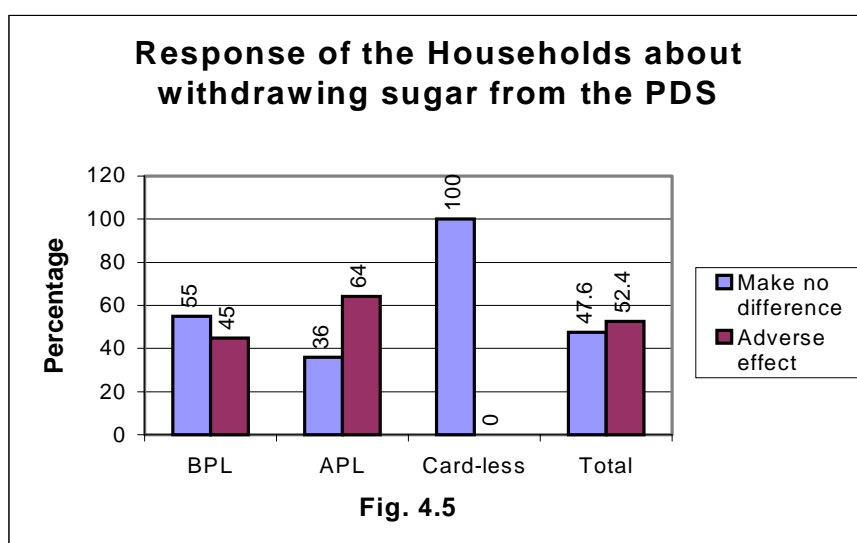


Table 4.34
Response of the Households about Withdrawing Sugar from the PDS

Block/Town	Categories	Make no Difference	Adverse Effect	Total
Shankargarh	BPL	147	66	213
	APL	42	38	80
	Card-less	7	-	7
	Total	196 (65.3)	104 (34.7)	300 (100.0)
Karchhana	BPL	60	94	154
	APL	40	102	142
	Card-less	4	-	4
	Total	104 (34.7)	196 (65.3)	300 (100.0)
Saidabad	BPL	100	96	196
	APL	24	80	104
	Total	124 (41.3)	176 (58.7)	300 (100.0)
Kaurihar	BPL	90	41	131
	APL	91	78	169
	Total	181 (60.3)	119 (39.7)	300 (100.0)
Phulpur	BPL	33	26	59
	APL	9	32	41
	Total	42 (42.0)	58 (58.0)	100 (100.0)
Bharatganj	BPL	17	42	59
	APL	2	39	41
	Total	19 (19.0)	81 (81.0)	100 (100.0)
Total	BPL	447 (55.0)	365 (45.0)	812 (100.0)
	APL	208 (36.0)	369 (64.0)	577 (100.0)
	Card-less	11 (100.0)	-	11 (100.0)
	Total	666 (47.6)	734 (52.4)	1400 (100.0)

Source: Field survey.

4.11.2 Response of the Households Regarding Withdrawal of Kerosene from the PDS

As high as 97.7 per cent of all the households selected in the district (1400) responded that they would face difficulties if kerosene is withdrawn from the PDS. This distribution of households is uniform by regions (Blocks and Towns) and by economic categories (BPL and APL), thereby showing no major variation in inter-regional distribution of households in terms of the necessity to have access to Kerosene distributed through the FPS. **Nor is there any major variation in distribution of households by BPL and APL categories, intra-Block and intra-town, in terms of revealing adverse effect consequent upon the withdrawal of Kerosene from the PDS (Table 4.35).**

Table 4.35
Response of the Households about Withdrawing Kerosene from the PDS

Block/Town	Categories	Make no Difference	Adverse Affect	Total
Shankargarh	BPL	6	207	213
	APL	8	72	80
	Card-less	-	7	7
	Total	14 (4.7)	286 (95.3)	300 (100.0)
Karchhana	BPL	4	150	154
	APL	6	136	142
	Card-less	-	4	4
	Total	10 (3.3)	290 (96.7)	300 (100.0)
Saidabad	BPL	1	195	196
	APL	-	104	104
	Total	1 (0.3)	299 (99.7)	300 (100.0)
Kaurihar	BPL	3	128	131
	APL	3	166	169
	Total	6 (2.0)	294 (98.0)	300 (100.0)
Phulpur	BPL	-	59	59
	APL	1	40	41
	Total	1 (1.0)	99 (99.0)	100 (100.0)
Bharatganj	BPL	-	59	59
	APL	-	41	41
	Total	-	100 (100.0)	100 (100.0)
Total	BPL	14 (1.7)	798 (98.3)	812 (100.0)
	APL	18 (3.1)	559 (96.9)	577 (100.0)
	Card-less	-	11 (100.0)	11 (100.0)
	Total	32 (2.3)	1368 (97.7)	1400 (100.0)

Source: Field survey.

4.12 Response of the Households to the Question of Confinement of PDS to Rice and Wheat Only

If the PDS is confined to distribution of only rice and wheat, as high as 78.2 per cent of the households will be unsatisfied. The 'unsatisfied BPL households' as a percentage of all BPL households at the district level is 75.4 per cent while the 'unsatisfied APL households' as a percentage of all APL households is 81.8 per cent. The 'unsatisfied BPL households' as a percentage of 'all unsatisfied households' is 55.89 while the 'unsatisfied APL households' as a percentage of all APL households is 43.10 per cent. These respective percentages show approximately the ratio in which BPL and APL households have been selected and surveyed at the district level. **There is thus uniformity in general in distribution of 'unsatisfied**

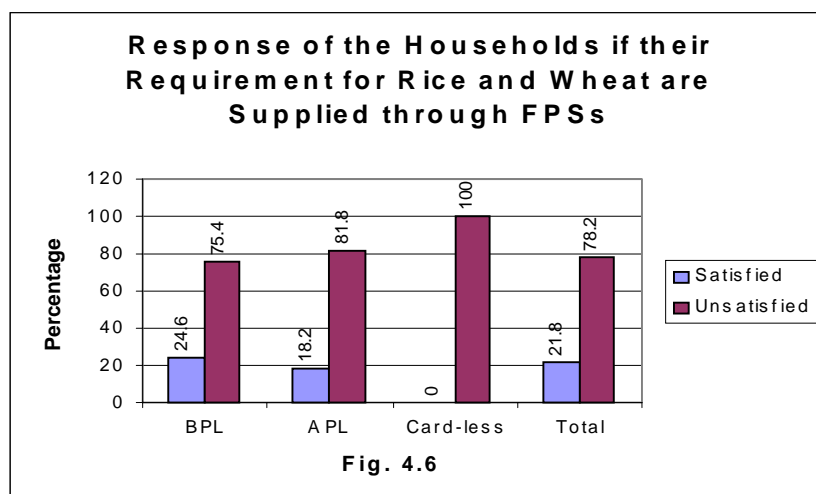
households' by economic categories in response to confinement of PDS to only rice and wheat. Only one-fifth of the households expressed satisfaction in response to the possibility of confinement of PDS to rice and wheat only.

There are inter-Block variations in distribution of 'unsatisfied households' like the maximum one for Karchhana at 94.9 per cent and the minimum at 63.7 per cent for Kaurihar. In urban areas, it is a peculiar distribution of 'unsatisfied households', like the cent per cent case for Bharatganj town and as low as 62.0 per cent for Phulpur town. **In terms of distribution of 'unsatisfied households' over economic categories, there is no uniformity by intra-Block and intra-Town calculations.** The 'unsatisfied BPL households' as per cent of all BPL households in Karchhana Block, for example, is as high as 95.45 while the same for Saidabad Block is 70.91. Similar calculations may be made for intra-Block APL households, intra-Town BPL and APL households. **The focus in the responses of the households in general is against confinement of PDS to rice and wheat only (Table 4.36 & Fig. 4.6).**

Table 4.36
Response of the Households if their Requirement for Rice and Wheat are Supplied through the FPSs

Block/Town	Categories	Satisfied	Unsatisfied	Total
Shankargarh	BPL	51	162	213
	APL	7	73	80
	Card-less	-	7	7
	Total	58 (19.3)	242 (80.7)	300 (100.0)
Karchhana	BPL	7	147	154
	APL	9	123	142
	Card-less	-	4	4
	Total	16 (5.3)	284 (94.9)	300 (100.0)
Saidabad	BPL	57	139	196
	APL	27	77	104
	Total	84 (28.0)	216 (72.0)	300 (100.0)
Kaurihar	BPL	62	69	131
	APL	47	122	169
	Total	109 (36.3)	191 (63.7)	300 (100.0)
Phulpur	BPL	23	36	59
	APL	15	26	41
	Total	38 (38.0)	62 (62.0)	100 (100.0)
Bharatganj	BPL	-	59	59
	APL	-	41	41
	Total	-	100 (100.0)	100 (100.0)
Total	BPL	200 (24.6)	612 (75.4)	812 (100.0)
	APL	105 (18.2)	472 (81.8)	577 (100.0)
	Card-less	-	11 (100.0)	11 (100.0)
	Total	305 (21.8)	1095 (78.2)	1400 (100.0)

Source: Field survey.



(a) Reasons Put Forward by Unsatisfied Households in Response to the Question of Confinement of PDS to Rice and Wheat Only

The reasons why most of the households are not satisfied, if the PDS is confined to distribution of only rice and wheat, are many. Of all the households (1400), for 28.4 per cent Kerosene is essential, while for 44.6 per cent both kerosene and sugar are essential. Of all the BPL households, for 34.7 per cent kerosene is essential while for another 36.2 per cent both kerosene and sugar are essential. This 'essentiality of items' is expressed by the households as the 'necessity of items to be distributed through the FPS'. The other reasons lie in 'unfelt need' for rice and wheat, 'poor quality' of rice and wheat, 'irregular distribution' of rice and wheat, 'higher FPS price relative to open market price' for rice and wheat etc. **Thus, the response of the unsatisfied households range from the suggestion for 'obstruction of kerosene and sugar' from being withdrawn from PDS to initiating positive steps for distribution of quality items of rice and wheat regularly at really fair price (Table 4.37).**

Table 4.37
Reasons Offered by Unsatisfied Households
(Confinement of PDS to Rice and Wheat Only)

Reasons	BPL	APL	Card-less	Total
Unfelt need	14 (2.3)	14 (3.0)	2 (18.2)	30 (2.7)
Kerosene is essential	282 (46.1)	111 (23.5)	5 (45.5)	398 (36.3)
Both Kerosene and Sugar are essential	294 (48.0)	328 (69.5)	2 (18.2)	624 (57.0)
FPS price is higher than market price	13 (2.1)	7 (1.5)	1 (9.1)	21 (2.0)
Quality is poor	-	3 (0.6)	-	3 (0.3)
Irregular distribution	3 (0.5)	-	-	3 (0.3)
Distribution system should be improved	3 (0.5)	6 (1.3)	-	9 (0.8)
Satisfied	200 (32.7)	105 (22.2)	-	305 (27.8)
No response	3 (0.5)	3 (0.6)	1 (9.1)	7 (0.6)
Total	612 (100.0)	472 (100.0)	11 (100.0)	1095 (100.0)

Source: Field survey.

(b) Reasons Put Forward by Satisfied Households in Response to the Question of Confinement of PDS to Rice and Wheat Only

The satisfaction of the households (305), in response to the hypothetical question of confining PDS to only rice and wheat, is conditional upon a number of factors cited by the households. As high as 71.14 per cent of the satisfied households put the condition that FPS price should be lower than open market price, while 14.42 per cent of the households put the condition that quantity should be allotted in terms of needs for rice and wheat, while another 6.88 per cent put the condition in terms of ensuring regularity in distribution of rice and wheat throughout the month. Some households also pointed out the necessity to improve quality of rice and wheat. These conditions put by the households rest on the supposition that the households actually buy the whole requirement of rice and wheat from FPSs.

Of the 'satisfied BPL households' (200), 64.5 per cent put the condition on FPS price, while 16.5 per cent put the condition on supply (allotment) of items in terms of need. Of the 'APL satisfied households' (105), as high as 83.80 per cent put the condition on FPS price relative to open market price for rice and wheat, while 10.47 per cent put the condition on quality of items distributed of rice and wheat in terms of requirements. **Thus, for both BPL and APL categories, what matter for their satisfaction lie in 'FPS Price vis-a-vis Open Market Price' and 'quantity distributed vis-a-vis required' of items (Table 4.38).**

Table 4.38
Reasons Offered by Satisfied Households
(Confinement of PDS to Rice and Wheat Only)

Reasons	BPL	APL	Total
FPS price should be lower than market price	129 (15.9)	88 (15.3)	217 (15.5)
Quantity allotted should be according to need	33 (4.1)	11 (1.9)	44 (3.1)
Distribution should be regular for the whole month	18 (2.2)	3 (0.5)	21 (1.5)
Quality should be improved	11 (1.4)	1 (0.2)	12 (0.8)
Not satisfied	612 (75.4)	472 (81.8)	1084 (77.4)
No response	9 (1.1)	2 (0.3)	11 (0.8)
Total	812 (100.0)	577 (100.0)	1400 (100.0)

Source: Field survey.

4.13 Response of the Households on the Question of Requirement of Kerosene from PDS in Case of Availability of Electricity

The response of the households regarding their need for kerosene to be distributed through the FPS is clearly in favour of regular supply even when the residential houses are provided electricity. As high as 83.3 per cent of all households confirmed in favour of the continuation of kerosene distributed through the FPSs. Of all the

BPL households (812), 80.0 per cent felt the necessity for access to kerosene in the FPS while 88.0 per cent of the APL households felt this need.

There are high inter-Block variations in 'unfelt need' for kerosene in presence of electricity in residential houses. For example, the unfelt need is expressed by as high as 30.7 per cent of the households for Kaurihar and as low as 9.7 per cent for Karchhana and at the minimum 8.0 per cent for Saidabad. For towns, the 'felt need' for kerosene in presence of electricity in houses is cent per cent for Bharatganj and 76.0 per cent for Phulpur. **The inter-economic category (BPL and APL) variations over Blocks and Towns for 'felt' and 'unfelt' need for kerosene in presence of electricity is not uniform (Table 4.39).**

Table 4.39
Response of the Households about the Need for Availability of Kerosene from the FPS
(If the Houses have Electricity)

Block/Town	Categories	Yes	No	Total
Shankargarh	BPL	154	59	213
	APL	75	5	80
	Card-less	7	-	7
	Total	236 (78.7)	64 (21.3)	300 (100.0)
Karchhana	BPL	143	11	154
	APL	126	16	142
	Card-less	2	2	4
	Total	271 (90.3)	29 (9.7)	300 (100.0)
Saidabad	BPL	175	21	196
	APL	101	3	104
	Total	276 (92.0)	24 (8.0)	300 (100.0)
Kaurihar	BPL	76	55	131
	APL	132	37	169
	Total	208 (69.3)	92 (30.7)	300 (100.0)
Phulpur	BPL	43	16	59
	APL	33	8	41
	Total	76 (76.0)	24 (24.0)	100 (100.0)
Bharatganj	BPL	59	-	59
	APL	41	-	41
	Total	100 (100.0)	-	100 (100.0)
Total	BPL	650 (80.0)	162 (19.9)	812 (100.0)
	APL	508 (88.0)	69 (12.0)	577 (100.0)
	Card-less	9 (81.8)	2 (18.2)	11 (100.0)
	Total	1167 (83.3)	233 (16.7)	1400 (100.0)

Source: Field survey.

Of all the households (1167) who confirmed the need for continuing with the supply of kerosene through FPSs, 83.7 per cent cited irregular supply of electricity as the cause. The rest, 16.3 per cent, based their response on the need for kerosene as a fuel. Of the total BPL

households (650) who expressed need for continuing supply of kerosene, as high as 91.1 per cent cited irregular supply of electricity as the cause while 74.2 per cent of APL households (508) for such purposes offered irregular electricity supply as the cause. The requirement of kerosene for fuel is expressed more by APL households relative to BPL, both calculated as percentages of their respective totals, the totals here imply the section of BPL and APL households who felt the need to continue kerosene as distributable item in the PDS.

The precise point is that the supply of electricity does not in general make any difference so far as the requirement or demand for kerosene being satisfied through FPS is concerned (Table 4.40).

Table 4.40
Reasons Offered by the Households for Continuation of Supply of Kerosene from the FPS
(In Presence of Electricity in the Residences of the Households)

Block/Town	Categories	Irregular Electricity Supply	For Fuel	Total
Shankargarh	BPL	137	17	154
	APL	38	37	75
	Card-less	6	1	7
	Total	181 (76.7)	55 (23.3)	236 (100.0)
Karchhana	BPL	140	3	143
	APL	102	24	126
	Card-less	2	-	2
	Total	244 (90.0)	27 (10.0)	271 (100.0)
Saidabad	BPL	168	7	175
	APL	79	22	101
	Total	247 (89.5)	29 (10.5)	276 (100.0)
Kaurihar	BPL	57	19	76
	APL	100	32	132
	Total	157 (75.5)	51 (24.5)	208 (100.0)
Phulpur	BPL	33	10	43
	APL	18	15	33
	Total	51 (67.1)	25 (32.9)	76 (100.0)
Bharatganj	BPL	57	2	59
	APL	40	1	41
	Total	97 (97.0)	3 (3.0)	100 (100.0)
Total	BPL	592 (91.1)	88 (8.9)	650 (100.0)
	APL	377 (74.2)	131 (25.8)	508 (100.0)
	Card-less	8 (88.9)	1 (11.1)	9 (100.0)
	Total	977 (83.7)	190 (16.3)	1167 (100.0)

Source: Field survey.

4.14.1 Perception of the Households about Fair Price Shop Dealers

Of all the households selected in the District, as high as 78.3 per cent expressed satisfaction about the Fair Price Shop dealers. Households expressed the satisfaction in absence (physical) of the FPS Dealer. **There are inter-regional variations (Blockwise and Townwise) in the distribution of households who expressed satisfaction. Also, there are inter-economic category variations, intra-Block and intra-Town, with no uniformity (Table 4.41).**

Table 4.41
Perception of the Households about Fair Price Shop Dealers

Block/Town	Categories	Satisfied	Unsatisfied	Total
Shankargarh	BPL	157	56	213
	APL	54	26	80
	Card-less	5	2	7
	Total	216 (72.0)	84 (28.0)	300 (100.0)
Karchhana	BPL	124	30	154
	APL	93	49	142
	Card-less	4	-	4
	Total	221 (73.7)	79 (26.3)	300 (100.0)
Saidabad	BPL	155	41	196
	APL	94	10	104
	Total	249 (83.0)	51 (17.0)	300 (100.0)
Kaurihar	BPL	109	22	131
	APL	146	23	169
	Total	255 (85.0)	45 (15.0)	300 (100.0)
Phulpur	BPL	46	13	59
	APL	39	2	41
	Total	85 (85.0)	15 (15.0)	100 (100.0)
Bharatganj	BPL	33	26	59
	APL	37	4	41
	Total	70 (70.0)	30 (30.0)	100 (100.0)
Total	BPL	624 (76.8)	188 (23.2)	812 (100.0)
	APL	463 (80.2)	114 (19.8)	577 (100.0)
	Card-less	9 (81.8)	2 (18.2)	11 (100.0)
	Total	1096 (78.3)	304 (21.7)	1400 (100.0)

Source: Field survey.

The reasons cited by the households (304) not satisfied with the FPS Dealer, are many. As high as 24.7 per cent of these 'non-satisfied' households reported 'non-distribution of sugar excepting on festivals', while another 10.5 per cent reported 'absence of information' about the availability of items in the FPSs. Another 9.9 per cent of households reported non-distribution of rice and wheat from FPSs. Thus, 50.0 per cent of reasons for non-satisfaction

lies in non-distribution of items. The response of the households covers all items together and separately sugar for some households, rice and wheat for some other households. One major reason cited by the households unsatisfied with the FPS Dealers is recorded as items diverted/sold to open market. This reason covers 26.6 per cent of the unsatisfied households. The other reasons for non-satisfaction include 'distribution of items at higher rate than fixed for FPS', 'non-distribution of prescribed quantity, socially biased distribution' etc. (Table 4.42).

Table 4.42
Reasons Offered by Unsatisfied Households about FPS Dealers

Reasons	BPL	APL	Card-less	Total
Absence of information	19 (10.1)	12 (10.5)	1 (50.0)	32 (10.5)
Items not distributed	53 (28.2)	21 (18.4)	1 (50.0)	75 (24.7)
Prescribed quantity of kerosene not distributed	8 (4.3)	4 (3.5)	-	12 (3.9)
Sugar not distributed/distributed only on festival	24 (12.8)	26 (22.8)	-	50 (16.4)
Rice and Wheat not distributed	24 (12.8)	6 (5.3)	-	30 (9.9)
Items distributed at higher prices	7 (3.7)	3 (2.6)	-	10 (3.3)
Items sold/diverted to open market	43 (22.9)	38 (33.3)	-	81 (26.6)
Prescribed quantity not distributed	8 (4.3)	3 (2.6)	-	11 (3.6)
Biased distribution	2 (1.1)	1 (0.9)	-	3 (1.0)
No response	15 (8.0)	4 (3.5)	-	19 (6.3)
Total	188 (100.0)	114 (100.0)	2 (100.0)	304 (100.0)

Source: Field survey.

4.14.2 Perception of the Households about FPSs in Terms of Scheduled Time Followed in Operating the Shops

Of the total households (1400) as high as 54.8 per cent conveyed that the FPS Dealers follow scheduled time in operating the shops, while 37.0 per cent of households negated it, the rest being in the ignorant category. The BPL households who conveyed maintenance of scheduled time by the FPS dealers cover 54.2 per cent of all BPL households while for APL, it is 39.9 per cent of the APL households at the district level. The category characterizing ignorance of the households about time followed by FPS Dealers covers more of BPL households relative to the APL as percentages of their respective totals.

There are major inter-Block differences in the perception of the households regarding scheduled time followed by the FPS dealers. For Kaurihar it is 18.7 per cent of all households in this particular Block, while for Saidabad it is 65.3 per cent of the households in Saidabad who affirmed on the scheduled time followed by the FPS dealers. For towns also there are wide differences in the perception among households

regarding the time of functioning of FPSs. There are also major inter-economic category differences in perception regarding the time maintained by the FPS dealers in operating the shops (Table 4.43).

Table 4.43
Perception of the Households about Following the Scheduled Time in FPSs

Block/Town	Categories	Households			
		Yes	No	Do not know	Total
Shankargarh	BPL	127	76	10	213
	APL	48	32	-	80
	Card-less	-	6	1	7
	Total	175 (58.3)	114 (38.0)	11 (3.7)	300 (100.0)
Karchhana	BPL	95	56	3	154
	APL	85	51	6	142
	Card-less	3	1	-	4
	Total	183 (61.0)	108 (36.0)	9 (3.0)	300 (100.0)
Saidabad	BPL	117	68	11	196
	APL	79	20	5	104
	Total	196 (65.3)	88 (29.3)	16 (5.3)	300 (100.0)
Kaurihar	BPL	13	80	38	131
	APL	43	92	34	169
	Total	56 (18.7)	172 (57.3)	72 (24.0)	300 (100.0)
Phulpur	BPL	38	20	1	59
	APL	29	12	-	41
	Total	67 (67.0)	32 (32.0)	1 (1.0)	100 (100.0)
Bharatganj	BPL	50	3	6	59
	APL	40	1	-	41
	Total	90 (90.0)	4 (4.0)	6 (6.0)	100 (100.0)
Total	BPL	440 (54.2)	303 (37.3)	69 (8.5)	812 (100.0)
	APL	324 (39.9)	208 (25.6)	45 (5.5)	577 (100.0)
	Card-less	3 (27.3)	7 (63.6)	1 (9.1)	11 (100.0)
	Total	767 (54.8)	518 (37.0)	115 (8.2)	1400 (100.0)

Source: Field survey.

The reasons offered by the households who negated the possibility of maintaining scheduled time by the FPS dealers include (i) late arrival of items, (ii) diversion of items to open market, (iii) engagement of FPS dealers in some other jobs etc. Most of the households (57.1 per cent) among those who negated maintenance of scheduled time by FPS dealers as a fact revealed their ignorance about the reasons for non-maintenance of time (Table 4.44).

Table 4.44
Reasons Offered by Households Regarding Non-maintenance of Scheduled Time by FPS Dealers

Reasons	BPL	APL	Card-less	Total
Late arrival of items	23 (7.6)	23 (11.1)	-	46 (8.9)
Engagement of FPS dealers in other jobs	22 (7.3)	7 (3.4)	-	29 (5.6)
Ignorance of households regarding reasons	185 (61.1)	107 (51.4)	4 (57.1)	296 (57.1)
No problem for non-maintenance of time	30 (9.9)	36 (17.3)	-	66 (12.7)
Diversion of items to open market	31 (10.2)	22 (10.6)	1 (14.3)	54 (10.4)
No response	12 (4.0)	13 (6.2)	2 (28.6)	27 (5.2)
Total	303 (100.0)	208 (100.0)	7 (100.0)	518 (100.0)

Source: Field survey.

4.15 Verification of Ration Cards of Households by Government Department

Of the total households (1400), accepting the basis as one card possessed by one household, as high as 77.8 per cent of the cards have been 'verified' by the Government of Uttar Pradesh (Supply Dept., and Rural Development Dept./Nagar Nigam) while 22.2 per cent have remained 'non-verified'. Of the total BPL households (812), 76.4 per cent and of the total APL households, 81.3 per cent are reported to have been verified. There are inter-regional (Block-wise and Town-wise) variations in distribution of ration cards that got 'verified' and remained 'non-verified'. These variations also hold good over economic categories by BPL and APL (Table 4.45 & Fig. 4.7).

Table 4.45
Verification of Ration Cards of Households by Supply Department

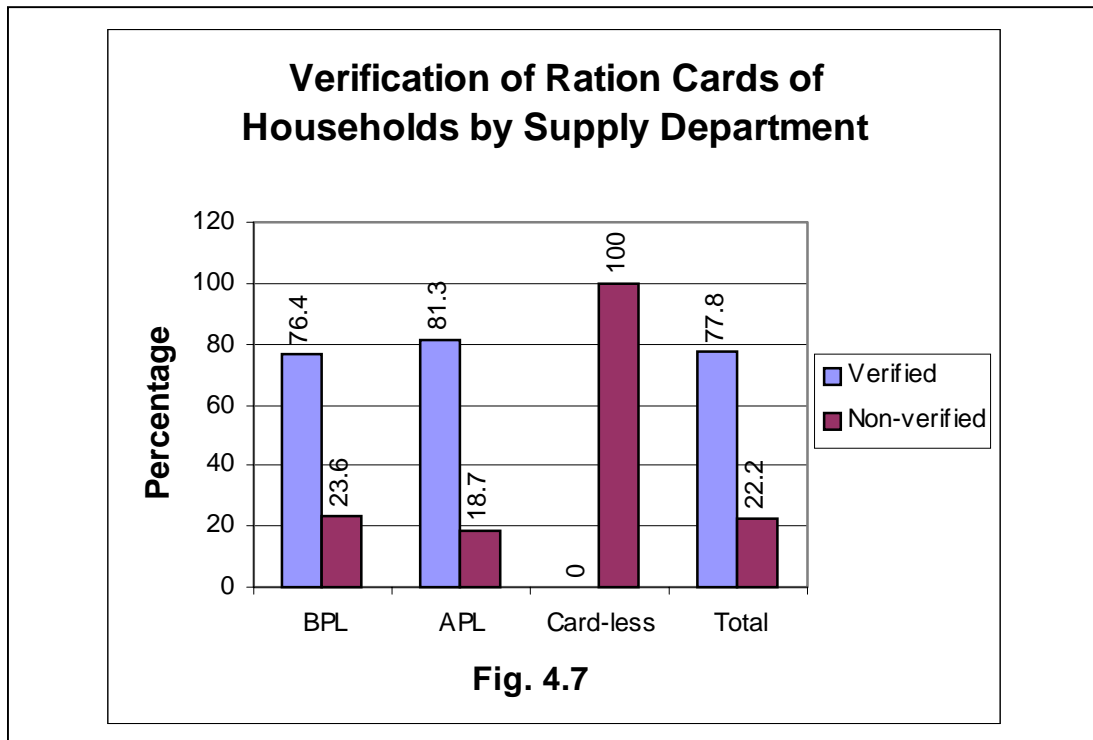
Block/Town	Categories	Verified	Non-Verified	Total
Shankargarh	BPL	137	76	213
	APL	46	34	80
	Card-less	-	7	7
	Total	183 (61.0)	117 (39.0)	300 (100.0)
Karchhana	BPL	105	49	154
	APL	108	34	142
	Card-less	-	4	4
	Total	213 (71.0)	87 (29.0)	300 (100.0)
Saidabad	BPL	156	40	196
	APL	88	16	104
	Total	244 (81.3)	56 (18.7)	300 (100.0)

Contd...

Block/Town	Categories	Verified	Non-Verified	Total
Kaurihar	BPL	126	5	131
	APL	168	1	169
	Total	294 (98.0)	6 (2.0)	300 (100.0)
Phulpur	BPL	54	5	59
	APL	40	1	41
	Total	94 (94.0)	6 (6.0)	100 (100.0)
Bharatganj	BPL	42	17	59
	APL	19	22	41
	Total	61 (61.0)	39 (39.0)	100 (100.0)
Total	BPL	620 (76.4)	192 (23.6)	812 (100.0)
	APL	469 (81.3)	108 (18.7)	577 (100.0)
	Card-less	-	11 (100.0)	11 (100.0)
	Total	1089 (77.8)	311 (22.2)	1400 (100.0)

Note: Ration cards have been checked on the basis of a single card possessed by a single household.

Source: Field survey.



PART - II

Introduction: Role of Panchayats in PDS

As defined by The Constitution (Seventy-third Amendment) Act, 1992 of the Government of India, "Panchayat" means an institution (by whatever name called) of self-government constituted under article 243G, for the rural areas (Institute of Social Sciences, 2000, p. 493). Article 243G of the Constitution says that 'subject to the provisions of this Constitution, the Legislature of a State may, by law, endow the Panchayats with such powers and authority as may be necessary to enable them to function as institutions of self-government and such law may contain provisions for the devolution of powers and responsibilities upon Panchayats at the appropriate level' (Institute of Social Sciences, 2000, p. 493). The powers, authority and responsibilities of Panchayats thus cover (a) the preparation of plans for economic development and social justice, (b) the implementation of schemes for economic development and social justice as may be entrusted to them including those in relation to the matters listed in the Eleventh Schedule (Institute of Social Sciences, 2000, p. 495). The Eleventh Schedule (Article 243G) includes 29 areas of jurisdiction of which public distribution system is one (Institute of Social Sciences, 2000, p. 497-498).

We studied the functioning of Public Distribution System in the District of Allahabad, Uttar Pradesh. In order to understand the existing modus operandi of Panchayati system vis-a-vis PDS, we have gone through the relevant Acts. The U.P. Panchayat Vidhi Sansodhan (UP Panchayat Raj Act 947, as amended up to 9 of 1994) came into force on April 22, 1994. The rules and regulations regarding the constitution and functioning of Panchayats are also modified and amended within the broad guidelines provided in the 73rd Amendment Act. After 1994, there came no further amendments to the legislation. However, with a view to operationalizing the powers, duties, functions and administration of the three-tier Panchayats, as envisaged in the 73rd Amendment, the Government of U.P. issued 55 government/departmental orders and three notifications between January 1996 and May 1999 (Rajiv Gandhi Foundation, 2000, p. 232). However, up to 1999, we found no direct supervision of the PDS in operation in UP by the Panchayati system in keeping with the Eleventh Schedule (Article 243G) of the Constitution of India (Rajiv Gandhi Foundation, 2000, p. 237).

Following a recently circulated order from the Government of UP, the Gram Sabha has been empowered to form six committees for each Village Panchayat under its jurisdiction. Among these committees, the 'Administrative Committee' headed by the Gram Pradhan has been authorized to supervise all the works related to the concerned Village Panchayat **(Panchayati Raj Anubhag-1, GO No. 4430/30-1-99 SPR/99 and 4077(1) 33-2-99-48 G/99 Dated 29 July 1999).**

Following one more recently circulated order from the Government of UP, the guidelines for operation of the FPSs within the network of the Panchayati Raj System will be the following:

- Selection of FPS by location will be finally decided by the village panchayat. Generally, there will be one FPS in each village panchayat. In case of more than 4000 units of cards in any village, the Panchayat may form another FPS in the same village. If the single village has more than one FPS, the village panchayat will distribute equal number of units in all FPS.
- The FPS dealer should draw at a time the quota (allotment) of the whole month. For this the FPS dealer has to be economically strong. The dealer is also expected to be educated and reputed in the locality.
- The 'Administrative Committee' is required to take all necessary steps regarding complaints of cardholders against FPS dealers.
- A new FPS has to be established by the village panchayat within a month against the suspended FPS. If the Gram Sabha suspends the FPS dealer by consensus, then there will remain no scope of any appeal against this action before any court of law.
- At present, the head of the Administrative Committee is Gram Pradhan who guides the activities of FPSs (**GO No. 3035/29-Kh-6-99-37 S/99 dated 10 August 1999**).

4.16 Role of Panchayats in PDS as Perceived by the Households, FPS Dealers, and Panchayat Members

(a) Perception of Households about the Role of Panchayats in PDS

As high as 62.6 per cent of all the households (1400) revealed their ignorance about the actual and possible role of Panchayats in PDS. Of all the BPL households (812), 61.4 per cent and of all the APL households (577), 63.9 per cent are ignorant about the role of Panchayats in PDS. **The distribution of households who are aware of the role to be played by Panchayats in PDS is evenly distributed over BPL and APL categories, as percentages of their respective totals. There are, however, inter-regional (Blockwise and Townwise) variations in 'prudent' and 'ignorant' households in terms of perception about the role of Panchayats in PDS (Table 4.46 & Fig. 4.8).**

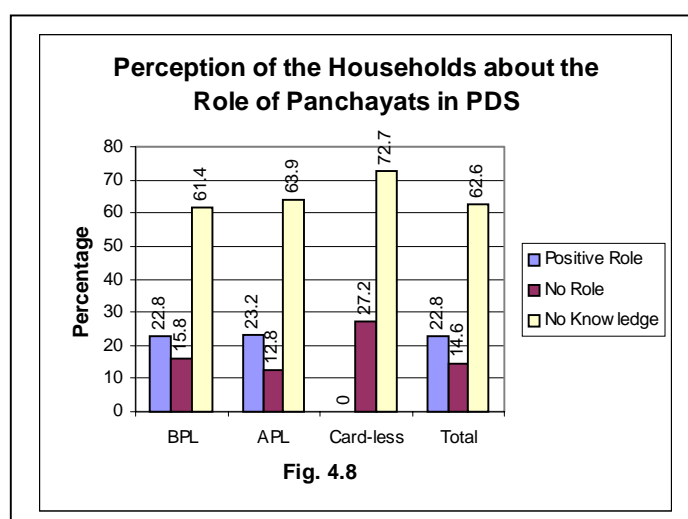


Table 4.46
Perception of the Households about the Role of Panchayats in PDS

Block/Town	Categories	Households			
		Positive Role	No Role	No Knowledge	Total
Shankargarh	BPL	64	51	98	213
	APL	38	13	29	80
	Card-less	-	2	5	7
	Total	102 (34.0)	66 (22.0)	132 (44.0)	300 (100.0)
Karchhana	BPL	41	27	86	154
	APL	14	25	103	142
	Card-less	-	1	3	4
	Total	55 (18.3)	53 (17.7)	192 (64.0)	300 (100.0)
Saidabad	BPL	20	25	151	196
	APL	16	7	81	104
	Total	36 (12.0)	32 (10.7)	232 (77.3)	300 (100.0)
Kaurihar	BPL	16	12	103	131
	APL	41	18	110	169
	Total	57 (19.0)	30 (10.0)	213 (71.0)	300 (100.0)
Phulpur	BPL	42	3	14	59
	APL	25	7	9	41
	Total	67 (67.0)	10 (10.0)	23 (23.0)	100 (100.0)
Bharatganj	BPL	2	10	47	59
	APL	-	4	37	41
	Total	2 (2.0)	14 (14.0)	84 (84.0)	100 (100.0)
Total	BPL	185 (22.8)	128 (15.8)	499 (61.4)	812 (100.0)
	APL	134 (23.2)	74 (12.8)	369 (63.9)	577 (100.0)
	Card-less	-	3 (27.2)	8 (72.7)	11 (100.0)
	Total	319 (22.8)	205 (14.6)	876 (62.6)	1400 (100.0)

Source: Field survey.

Table - 4.46a
Perception of Households about the Positive Role of Panchayats in PDS

Particulars	BPL	APL	Card-less	Total
Ensuring distribution of items	69 (53.9)	38 (51.4)	1 (33.3)	106 (51.7)
Informing the Households	-	4 (5.4)	-	4 (1.5)
Checking the stocks	4 (3.1)	6 (8.1)	1 (33.3)	11 (5.4)
Checking the quality of items	34 (26.6)	11 (14.9)	-	45 (22.0)
No responses	21 (16.4)	15 (20.3)	1 (33.3)	37 (18.0)
Total	128 (100.0)	74 (100.0)	3 (100.0)	205 (100.0)

Source: Field survey.

Table - 4.46b
Perception of Households about the Negative Role of Panchayats in PDS

Reasons for Negative Role Perceived	BPL	APL	Card-less	Total
Panchayats take benefits	168 (90.8)	106 (79.1)	-	274 (85.9)
Pradhan lives outside the village	14 (7.6)	22 (16.4)	-	36 (11.3)
Lack of time of panchayat members	-	3 (2.2)	-	3 (0.9)
Inactive panchayat members	-	3 (2.2)	-	3 (0.9)
No responses	3 (1.6)	-	-	3 (0.9)
Total	185 (100.0)	134 (100.0)	-	319 (100.0)

Source: *Field survey.*

(b) Perception of FPS Dealers about the Role of Panchayats in PDS

The factors by which the FPS Dealers identify or perceive the role of Panchayats in PDS include both positive and negative functions by Panchayats in helping or hindering the functioning of the PDS. The positive factors include the role of Panchayats as 'helping distribution' (response of 85.7 per cent of FPS Dealers) and 'checking the stock and rate' (17.9 per cent). The negative factors include 'illegal demand for items' by Panchayat members, 'inactive Panchayat members', 'Panchayat members actually getting more items'. These negative factors, however, cover a thin minority of the FPS Dealers. The summation of the percentages of FPS Dealers revealing single or multiple factors, positive and/or negative, is naturally more than 100.00. FPS Dealers running shops for less than 5 years never mention the negative factors (Table 4.47).

Table 4.47
Perception of the FPS Dealers about the Role of Panchayats in PDS

Age of FPS Licences/ Role of Panchayats	Below 2 Years	2 to 5 Years	5 to 10 Years	Above 10 Years	Total
Panchayat members get more quantity than allotted	-	-	1 (7.7)	-	1 (3.6)
Illegal demand for items	-	-	2 (15.4)	-	2 (7.1)
Helping distribution	2 (100.0)	1 (50.0)	10 (76.9)	11 (100.0)	24 (85.7)
Check the stocks and prices	1 (50.0)	1 (50.0)	1 (7.7)	2 (18.2)	5 (17.9)
Panchayats not active	-	1 (50.0)	1 (7.7)	-	2 (7.1)
Total	2 (100.0)	2 (100.0)	13 (100.0)	11 (100.0)	28 (100.0)

Source: *Field survey.*

(c) Perception of the Panchayat Members about the Role of Panchayats in PDS

We interviewed a total of 24 members in Gram Panchayats that include 'Pradhan', 'Deputy Pradhan', 'Panchayat Member' and 'Ex-Pradhan'. As high as 79.2 per cent of these members accepted in principle the responsibility to ensure regular distribution of items through PDS. The other responsibilities mentioned by the Panchayat members include 'making new ration cards', 'checking the stocks', 'solving local problems', 'checking the quantity of items and their prices' etc. As high as 12.5 per cent of these members revealed 'ignorance' about their responsibilities while 8.3 per cent did not respond. These percentages are calculated on the basis of overlapping inclusion in the categories characterizing responsibilities, so that the summation of percentages will be more than 100.0 (Table 4.48).

Table 4.48
Perception of the Panchayat Members Regarding the Role of the Panchayats in PDS

Responsibilities	Number of Panchayat Members	Percent
Making new ration cards	1	4.2
Ensuring regular distribution	19	79.2
Checking the stocks	3	12.5
Solving local problems	4	16.7
Check FPS price and quantity	4	16.7
Ignorance	3	12.5
No response	2	8.3
Total	24	100.0

Source: Field survey.

4.17 Perception of the Households about How to Improve the Functioning of the PDS

Of the total households supposed to offer suggestions for improving the functioning the PDS, 21.2 per cent abstained from offering any suggestions. We, however, express the major suggestions in terms of households as percentage of the total households (1400). The summation of these percentages will obviously exceed 100.0 per cent, for their being multiple suggestions by any specific household. What we really care for, thus, is the weight of any particular suggestion.

As high as 33.0 per cent of the households suggested that items should be regularly distributed through the FPSs. Still higher is the percentage of households who suggested that the price of kerosene per unit (liter) should be reduced. There are overlapping inclusion of households offering these suggestions. The other major suggestions include that (i) the prices of items distributed through FPS should be lower than the market rates, (ii) quantity of each of kerosene and sugar distributed should be increased, (iii) quantity of rice and wheat distributed should be increased, (iv) there has to be provision to get the items in installments, (v) as a corollary of (iv), the items should be distributed throughout the month, (vi) quality of items should improve, (vii) FPS should be located inside the village etc. **By economic categories,**

BPL and APL, there are no major differences in suggestions offered for improving the PDS (Table 4.49).

Table 4.49
Suggestions Offered by the Households for Improving the Functioning of the PDS

Suggestions	BPL	APL	Card-less	Total
Items should be regularly distributed	285 (35.1)	173 (30.0)	4 (36.4)	462 (33.0)
Information must reach the cardholders	26 (3.2)	15 (2.6)	-	41 (2.9)
Rate of Items of FPS should be lower than market rates	215 (26.5)	156 (27.0)	1 (9.1)	272 (26.6)
Quantity of rice and wheat should be increased	48 (5.9)	32 (5.5)	-	80 (5.7)
Quantity of kerosene should be increased	134 (16.5)	153 (26.5)	-	287 (20.5)
Quantity of sugar should be increased	91 (11.2)	97 (16.8)	-	188 (13.4)
Quality of items should be better	32 (3.9)	48 (8.3)	-	80 (5.7)
Edible oil and other items should also be distributed	25 (3.1)	22 (3.8)	-	47 (3.3)
Items should be distributed throughout the whole month	67 (8.3)	24 (4.2)	1 (9.1)	92 (6.6)
There has to be provision to get items in installments	47 (5.8)	14 (2.4)	1 (9.1)	62 (4.4)
Rice and Wheat should also be distributed to APL (at same rate)	15 (1.8)	49 (8.5)	-	64 (4.6)
Price of kerosene should be reduced	305 (37.6)	269 (46.6)	-	574 (41.0)
Assessment for identification of BPL and APL should be corrected	69 (8.5)	19 (3.3)	1 (9.1)	89 (6.3)
FPS should be in the village	21 (2.6)	2 (0.3)	1 (9.1)	24 (1.7)
Ration cards should be issued to card-less households	-	3 (0.5)	10 (90.9)	13 (0.9)
Regular inspection must be done at the village level	77 (9.5)	76 (13.2)	-	153 (10.9)
Present system is good	24 (3.0)	20 (3.5)	-	44 (3.1)
No response	197 (24.3)	99 (17.2)	1 (9.1)	297 (21.2)
Total	812 (100.0)	577 (100.0)	11 (100.0)	1400 (100.0)

Source: Field survey.

4.18 Reactions of Fair Price Shop Dealers

(a) About the State Supply Department

Of the 28 FPS Dealers interviewed in 24 villages and 4 wards of two towns, the age-distribution of these shops from the date of registration/licence, is weighted in favour of the shops operating for more than 5 years. These shops cover 85.7 per cent of the total FPSs. Of this, the FPSs operating for a period below 10 years is marginally more than the number of FPSs operating for a period above 10 years.

As high as 71.4 per cent of the FPS dealers revealed their satisfaction with the State Supply Department, of which FPSs operating for a period less than 5 years revealed satisfaction cent per cent. It seems, for new license holders/newly registered, it becomes a compulsion to be satisfied cent per cent with the Supply Department. The FPSs between 5 to 10 years and above 10 years are more or less equally distributed by the criterion of 'being satisfied with the supply Department'. As low as 3.6 per cent of FPSs, that too only within the age-bracket of 5 to 10 years, expressed dissatisfaction by citing the reason of 'access of powerful shopkeepers to better quality items'. The reasons like 'delay in delivery of items', 'poor quality of items issued', 'bribing and commission' are cited by the FPSs operating for a period above 5 years. Since the 'wholly satisfied' FPSs operating above 5 years as a percentage of all FPSs (28) cover 57.14 per cent and 80.0 per cent of the 'wholly satisfied' FPSs group (20), hence the reasons cited as reactions for dissatisfaction expressed by the FPSs is only marginal (**Table 4.50**).

Table 4.50
Reactions of FPS Dealers about Supply Department

Age of FPS Licences/ Reactions	Below 2 Years	2 to 5 Years	5 to 10 Years	Above 10 Years	Total
Access of powerful shopkeepers to better quality items	-	-	1 (7.7)	-	1 (3.6)
Poor quality of items issued	-	-	2 (15.4)	1 (9.1)	3 (10.7)
Bribing and commission at all layers	-	-	1 (7.7)	1 (9.1)	2 (7.1)
Delay to deliver the items	-	-	-	3 (27.3)	3 (10.7)
Satisfied with Supply Department	2 (100.0)	2 (100.0)	9 (69.2)	7 (63.6)	20 (71.4)
Total	2 (100.0)	2 (100.0)	13 (100.0)	11 (100.0)	28 (100.0)

Source: *Field survey.*

(b) About Ration Card Holders

Of the 28 FPSs, as high as 75.0 per cent expressed satisfaction with the cardholders. In this category, the FPSs operating for a period less than 5 years expressed satisfaction cent per cent (with no reason cited for dissatisfaction). It may be that these dealers are willing to run the PDSs in a steady and stable manner. There are minor differences in the extent of satisfaction considering FPSs operating between 5 and 10 years, and FPSs operating over 10 years. The reasons offered by the FPS Dealers operating for 5 years and more for their dissatisfaction with the card holders include (i) presence of households in the FPS without ration cards, or with others' ration cards, (ii) Absence of Cardholders in time of distribution, (iii) demand for items by Cardless households (**Table 4.51**).

Table 4.51
Reactions of FPS Dealers about the Cardholders

Age of FPS Licences/ Reactions	Below 2 Years	2 to 5 Years	5 to 10 Years	Above 10 Years	Total
Cardholders do not come with ration cards	-	-	1 (7.7)	-	1 (3.6)
Cardholders do not take items in time	-	-	1 (7.7)	2 (18.2)	3 (10.7)
Card-less households want to draw items	-	-	1 (7.7)	1 (9.0)	2 (7.1)
Households come with others' cards and get items	-	-	1 (7.7)	-	1 (3.6)
Satisfied with cardholders	2 (100.0)	2 (100.0)	9 (69.2)	8 (72.7)	21 (75.0)
Total	2 (100.0)	2 (100.0)	13 (100.0)	11 (100.0)	28 (100.0)

Source: *Field survey.*

(c) About Influential People

As high as 60.7 per cent of the FPS Dealers revealed 'no influence' from the local influential people on the PDS. In terms of the seriousness of the issue, however, the remaining 39.3 per cent of the FPS Dealers who confirmed adverse influence on PDS exercised by local influential people is significant. The factors that explain exercise of influence include (i) willingness of the section to get items free of cost, (ii) willingness to get more quantity than what is allotted, (iii) creating conflicts with FPS Dealers, (iv) Panchayat's unwarranted pressure (**Table 4.52**).

Table 4.52
Reactions of FPS Dealers about Influential People Affecting the PDS

Factors Showing Influence	Number of FPS Dealers	Percent
Want to get items free of cost	1	3.6
Want to get more quantity of items	4	14.3
Quarrelling with FPS dealers	6	21.4
Panchayat's pressure	2	7.1
No influence	17	60.7
Total	28	100.0

Source: *Field survey.*

4.19 Problems of FPS Dealers Regarding Quantity of Items Allotted by Supply Department, Withdrawal of Quota and Transportation, and Adjustment of the FPS Dealers Regarding Undistributed Items

(a) Quantity of Items Allotted by Supply Department

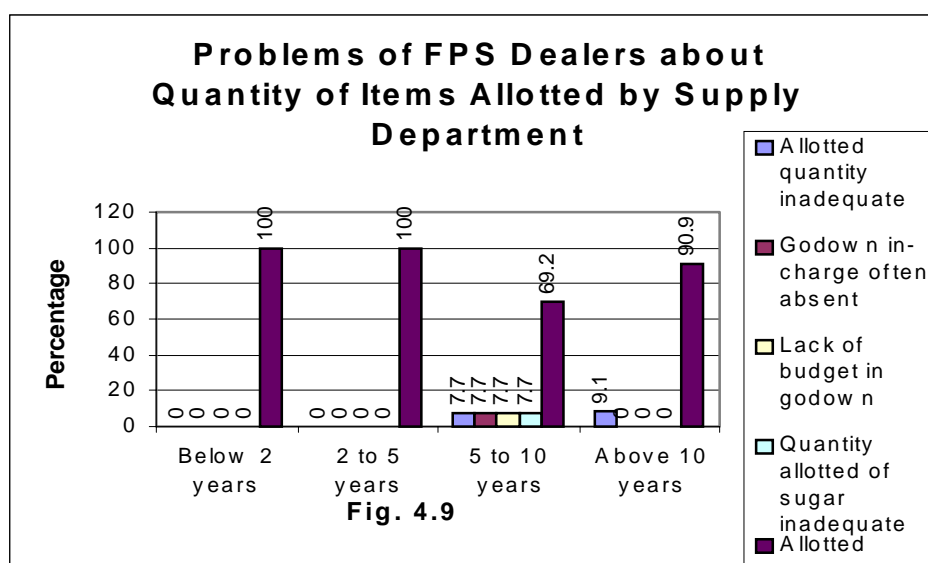
Of the total (28) FPS Dealers, as high as 82.1 per cent expressed satisfaction by 'adequacy' of the quantity of items allotted. All the FPS Dealers running the shops for less than 5 years are satisfied with the allotted quantity. This distribution is peculiar in the sense that the FPS dealers running the shops for more than 5 years but less than 10 years cite the 'problems regarding allotted quantity' in the main. These 'problems of inadequacy' relate to

'inadequate quantity allotted', 'absence of Godown-in-charge', 'inadequate quantity of sugar allotted', 'lack of budget in Godown' etc. More than 90.0 per cent of the FPS Dealers (11), running shops for more than 10 years, expressed satisfaction with the Supply Department so far as adequacy of allotted quantity' is concerned. This is cent per cent for all the FPS Dealers running shops for less than 5 years (Table 4.53 & Fig. 4.9).

Table 4.53
Problems of FPS Dealers about Quantity of Items Allotted by Supply Department

Age of FPS Licences/ Problems	Below 2 Years	2 to 5 Years	5 to 10 Years	Above 10 Years	Total
Allotted quantity inadequate	-	-	1 (7.7)	1 (9.1)	2 (7.1)
Godown in-charge often absent	-	-	1 (7.7)	-	1 (3.6)
Lack of budget in godown	-	-	1 (7.7)	-	1 (3.6)
Quantity allotted of sugar inadequate	-	-	1 (7.7)	-	1 (3.6)
Allotted quantity of items adequate	2 (100.0)	2 (100.0)	9 (69.2)	10 (90.9)	23 (82.1)
Total	2 (100.0)	2 (100.0)	13 (100.0)	11 (100.0)	28 (100.0)

Source: Field survey.



(b) Withdrawal of Quota and Transportation

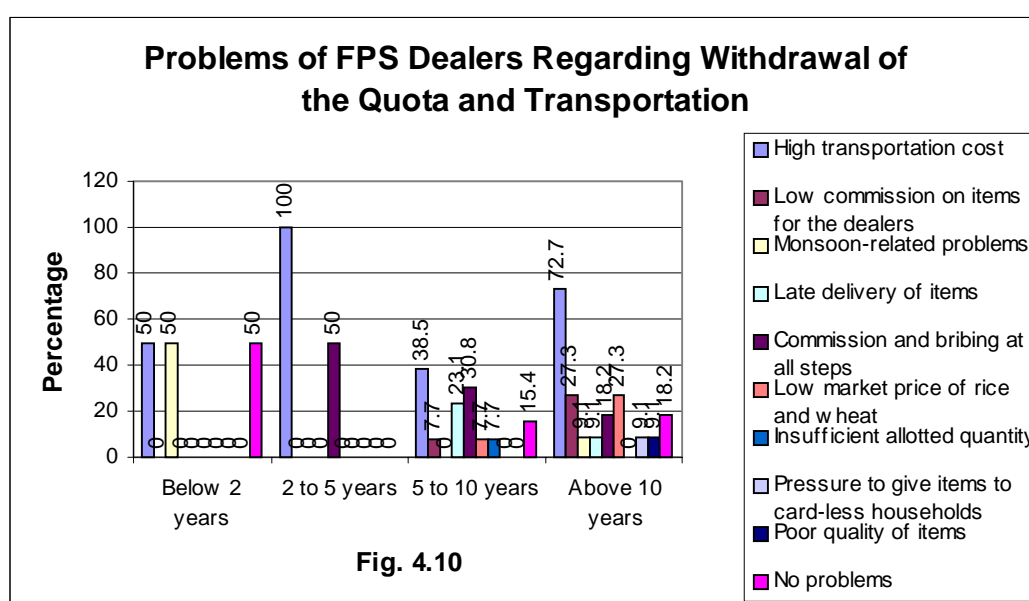
We express the problems cited by the FPS Dealers in withdrawal of Quota and the transportation of items withdrawn for distribution by weightage, weightage measured by percentage of FPS Dealers citing a particular or multiple of problems in the said processes. The summation of weightage thus will be more than 100.0. The problem that comes first in weightage is 'high transportation cost', followed by 'low market price of rice and wheat', 'low commission of FPS Dealers', 'late delivery of items'. The first one is cited by 57.1 per cent of FPS Dealers, the next three are cited by 14.2 per cent of FPS Dealers for each with overlapping FPS dealers in the problem categories. The other problems cited are 'late

delivery of items', 'poor quality of items', 'insufficient allotted quantity', 'monsoon (rainy season) related problems'. 17.9 per cent of FPS Dealers cited 'no problems' regarding withdrawal of quota, transportation of items etc. Excepting 'inadequate allotted quantity', the FPS dealers running shops for less than 5 years did not mention any problem regarding quota and transportation of items (Table 4.54 & Fig. 4.10).

Table 4.54
Problems of FPS Dealers Regarding Withdrawal of the Quota and Transportation

Age of FPS Licences/ Problems	Below 2 Years	2 to 5 Years	5 to 10 Years	Above 10 Years	Total
High transportation cost	1 (50.0)	2 (100.0)	5 (38.5)	8 (72.7)	16 (57.1)
Low commission on items for the dealers	-	-	1 (7.7)	3 (27.3)	4 (14.2)
Monsoon-related problems	1 (50.0)	-	-	1 (9.1)	2 (7.1)
Late delivery of items	-	-	3 (23.1)	1 (9.1)	4 (14.2)
Commission and bribing at all steps	-	1 (50.0)	4 (30.8)	2 (18.2)	7 (25.0)
Low market price of rice and wheat	-	-	1 (7.7)	3 (27.3)	4 (14.2)
Insufficient allotted quantity	-	-	1 (7.7)	-	1 (3.6)
Pressure to give items to card- less households	-	-	-	1 (9.1)	1 (3.6)
Poor quality of items	-	-	-	1 (9.1)	1 (3.6)
No problems	1 (50.0)	-	2 (15.4)	2 (18.2)	5 (17.9)
Total	2 (100.0)	2 (100.0)	13 (100.0)	11 (100.0)	28 (100.0)

Source: Field survey.



(c) Undistributed Items

The methods by which the FPS Dealers adjust the undistributed items are many. Most of the methods adopted, however, go either as 'items distributed in the next month' or 'non-existing undistributed stocks', the first one covering 53.6 per cent of the FPS dealers. The other methods adopted include 'items sold in the open market', 'undistributed inferior quality of items merged with better quality of the same items', 'rice and wheat sold to APL households'. These other methods are cited by FPS Dealers operating shops for more than 5 years (**Table 4.55**).

Table 4.55
Methods of Adjustment Adopted by the FPS Dealers Regarding Undistributed Items

Age of FPS Licences/ Methods of Adjustment	Below 2 Years	2 to 5 Years	5 to 10 Years	Above 10 Years	Total
Items distributed in the next month	1 (50.0)	2 (100.0)	4 (30.8)	8 (72.7)	15 (53.6)
Merged with better quality for sale	-	-	-	1 (9.1)	1 (3.6)
Items sold in the open market	-	-	1 (7.7)	-	1 (3.6)
Rice and wheat sold to APL households	-	-	-	1 (9.1)	1 (3.6)
Stocks do not remain undistributed	1 (50.0)	-	8 (61.5)	1 (1.1)	10 (35.6)
Total	2 (100.0)	2 (100.0)	13 (100.0)	11 (100.0)	28 (100.0)

Source: *Field survey.*

4.20 Awareness of the FPS Dealers about the Commission on Different Items

The distribution of the number of FPS Dealers in terms of their knowledge about the commission on items they are entitled to vary sharply between items. In case of each of rice and wheat, as high as 82.1 per cent of FPS Dealers know the rate of commission per kg., while in case of sugar, the percentage is 64.3, and in case of kerosene it is as low as 28.6 percent. There are also inter-regional, rural and urban, variations in knowledge of FPS Dealers about the rate of commission per unit on the items. In case of rice and wheat, for example, there is no urban FPS Dealer who does not know the rate of commission on these items. Only in case of kerosene, rural FPS Dealers are in more 'knowledge command' so far as the rate of commission per liter on kerosene is concerned (**Table 4.56**).

Table 4.56
Awareness of the FPS Dealers about the Commission on Items

Area	Rice		Wheat		Sugar		Kerosene		Total
	Know	Do not Know	Know	Do not Know	Know	Do not Know	Know	Do not Know	
Rural	19 (79.2)	5 (20.8)	19 (79.2)	5 (20.8)	16 (66.7)	8 (33.3)	7 (29.2)	17 (70.8)	24 (100.0)
Urban	4 (100.0)	-	4 (100.0)	-	2 (50.0)	2 (50.0)	1 (25.0)	3 (75.0)	4 (100.0)
Total	23 (82.1)	5 (17.9)	23 (82.1)	5 (17.9)	18 (64.3)	10 (35.7)	8 (28.6)	20 (71.4)	28 (100.0)

Source: *Field survey.*

Public Distribution System in the District of Allahabad: Major Observations and Suggestions

'When there is a limited amount of food, with the market dividing it among the population according to their respective purchasing power and market pulls, a worsening of the relative position of some groups in the scale of money incomes can lead to an absolute decline in their ability to command food. In food battles, the Devil takes the hindmost' (Dreze, J., and Sen, A., 1989, Hunger and Public Action, Clarendon Press, Oxford, p. 48-49).

5.1 Major Observations

The major observations that we attempt to record here are based on the facts that we collected in the field for the study on public distribution system in the District of Allahabad.

Distribution of Items

- (x) In almost all the villages, rice and wheat were not made available to the families owning ration cards. Even when these items arrived, a single day was fixed for distribution so that the income-poor (BPL) families were deprived. The simple reason is, apart from lack of timely information, the BPL families lack the power and time to collect money to buy the items abruptly announced for sale through the FPS.
- (xi) We found false/wrong entries in the cards for most of the BPL families, entries implying that all these families got all the items at scheduled rates (quantity and price).
- (xii) No cash memo was ever issued by any of the FPS owners.
- (xiii) Even when the items were made available and the supply position was announced by the FPS Dealer, the prices per unit of items were not displayed.
- (xiv) One consequence of (iv) was that the benefits of price-differential (sale price -- scheduled PDS price) went in favour of the FPS Dealer.
- (xv) Sugar was usually irregular in supply.
- (xvi) Kerosene per head was distributed much less than what was allotted and that too at prices higher than the scheduled PDS rate.
- (xvii) The section in higher socio-economic category derived almost all the benefits from irregular supply of items from the FPSs.
- (xviii) We found some villages where socially upper caste people continue to (mis)use the PDS by availing items much more than what is fixed per card.

Gap between Requirement and Distribution of Items

The gap between requirement of households for items and distribution of items per period by FPSs shows that the PDS at the level of the District of Allahabad has failed

miserably in supplying essential commodities to the population across board, both BPL and APL, excepting kerosene. The implicit assumption is that the PDS in existence has the aim to fulfil most of the requirements of the target groups for essential commodities distributed through the FPSs.

APL households have a little higher requirement, per household per month, for all the items, rice, wheat, sugar, and kerosene, relative to the corresponding requirements of BPL households. The consumption requirements of APL households for sugar is double that of BPL households per household per period.

Most of the requirements of APL households are met through open market, excepting kerosene. For BPL households, most of the requirements of kerosene are met through PDS. The cardless households somehow manage to draw rice, wheat and kerosene from the FPSs but not sugar.

In terms of consumption requirements for items by specific economic categories, BPL and APL, there is consistency across Blocks in the District. There exists a minimum requirement of BPL households for at least rice and wheat, which are very significant by quantity in the consumption basket.

So far, for each Block and Town surveyed, the average allotment accounts for very insignificant percentage of requirements. Saidabad Block draws tremendous attention so far as allotment of rice is concerned. The Block that draws attention in terms of necessity to allot more of wheat is Saidabad. The fact is that very low distribution rather than high requirement explain the large gap in items between requirement of households and distribution by the FPS Dealers for Saidabad, so far as rice and wheat are concerned. Saidabad Block draws more attention though the fact remains valid for all the Blocks studied that allotment of essential items offers a very poor picture relative to the required consumption.

Since requirement of kerosene is satisfied more or less equally across economic categories, BPL and APL, through supply by FPSs, hence we do not find any tangible gap in requirement and distribution of kerosene.

Price Gap in Items between FPSs and Open Market

The prices of essential items that we recorded are the prices reported by the households, that is, the prices the households pay while they buy the items, from FPSs as well as from the open market (for the same quality of items).

The absolute magnitude of the price gap for rice differs from the percentage magnitude of the price gap, excepting Kaurihar Block. Calculated on a very low range of variation in 'reported FPS price', the 'absolute magnitude of price gap' for wheat Blockwise is negligible.

It is observed during the period of survey that the market price of wheat is even lower than FPS price for the same quality of the item in Sankargarh Block. The item wise price-differential, thus, is not unidirectional, that is, not necessarily showing higher market price.

The reported absolute price gap differs from percentage price gap for sugar considered over Blocks, the reasons being both differences in 'reported FPS prices' and 'reported open market prices' for items.

For kerosene, there is one-to-one correspondence between 'absolute price gap' and 'percentage price gap' considered over Blocks in the District of Allahabad.

The inter-regional, Blockwise and Townwise, variations in reported FPS price per item is not significant, considering over BPL and APL households. In other words, both BPL and APL households pay same or similar prices for essential items in all the Blocks and Towns. There is also not much variation in open market rates as bought by BPL and APL households of the items considered as reported by the households.

Household Consumption Expenditure on Essential Commodities and Implicit Income Transfer

We have calculated the annual expenditure of households on essential items (received by households), by quantity of items consumed evaluated at the market price and at FPS price. The implication is that at least 10.0 per cent of expenditure can be saved by households, both BPL and APL, if the required consumption quantity is supplied through FPSs. The price prevailing in the open market as reported by the households is by no means an overestimation, as reflected by the willingness of a major section of the households to buy from the open market.

The items distributed through FPSs at FPS prices (higher than what is fixed) show not only a huge gap (90.0 per cent) between required expenditure on essential items (by consumption requirements of households) and expenditure incurred by households at FPS level, but also the scope for increased distribution of items.

Annual expenditure by BPL households on items actually supplied by FPSs and received by the households shows higher percentage (12.6) of their market-based expenditure relative to the same of APL households (7.5). One interpretation could be that if all the required items were distributed through the FPSs at FPS prices, price taken to be the same for both BPL and APL households, the possibility of saving (or income transfer) would be more for APL households; for BPL households it is 87.4 per cent increase while for APL households it is 92.5 per cent increase. This is where the question of targeting the BPL comes in terms of coverage by FPSs.

Time-Response of the Households in Purchasing Commodities from the FPSs

Only kerosene as an essential item satisfies the objective of regular purchase by households, independent of the price per unit of kerosene. While for kerosene the response to supply by the FPSs is same or similar for all households, BPL and APL, over all blocks and towns for rice, wheat, and sugar, the response is poor in terms of regular purchase from the FPSs.

There are intra-Block and intra-Town differences between BPL and APL households in terms of non-regular purchases of essential items.

The reasons offered by the households for non-regular purchase of rice and wheat are (i) non-distribution and irregular distribution, (ii) non-allotment of these items to APL households, (iii) unmet need for items distributed through FPSs, (iv) poor quality of items, (v) low market prices prevailing, (vi) non-availability of information, (vii) absence of disposable money at a point of time. As such, the reasons, though seem to be overlapping, show the dissection of reasons rooted in less than perfect functioning of the PDS network so far as rice and wheat are concerned.

For only a cross section within BPL households, like stone breakers in Shankargarh Block, 'absence of disposable money at a point of time' is a major explanatory factor for non-regular purchase of all the essential items.

The reasons offered by the households, separately BPL and APL, for non-regular purchase of sugar are similar to those cited in case of rice and wheat. Here 'lack of disposable money at a point of time' explains the percentage coverage of households more by BPL.

Consumption of Sugar by Economic Categories

The response of economic categories, BPL and APL, shows 'opposite relative response' intra-Block, relative to APL households, it being a response to the question of regularity in consumption of sugar by households and its fulfillment by purchase from the FPSs.

Of the BPL consumers of sugar, which is 62.06 per cent of all BPL households selected for the study, only 32.5 per cent responded as satisfying the whole quota of sugar from the FPSs. As high as 43.1 per cent of BPL households buy sugar wholly from the open market, and the rest of the households buy partially from both the open market and the FPSs. In general, the households satisfying their requirements of sugar wholly from the FPSs on average at the level of Blocks and Towns center around the average at the level of the District which is around 31.7 per cent of households.

Consumption of Kerosene by Economic Categories

There is no unique indication of the satisfaction expressed by BPL and APL households by the indicator of sufficiency in allotment and distribution of kerosene.

The distribution of households, who satisfy the extra requirement of kerosene (extra in the sense of consumption requirement of kerosene over what is allotted per period) from open market, are evenly distributed over APL and BPL households, when the percentage of these households are calculated as percentages of their respective totals in the District. Of the non-fully satisfied households, there are inter-Block and inter-Town variations in percentages of households and also intra-Block and intra-Town variations by BPL and APL categories of households with no uniqueness to show if a particular Block or economic category remains non-satisfied.

Some Item-Specific Problems in Distribution of Items from the FPSs

Mostly the APL households cite non-allotment of rice and wheat, though non-allotment of each of rice and wheat to APL households is not uniform for Blocks and Towns. The factor that explains the seriousness of the problem in distribution of rice and wheat is given by non-availability as distinct from non-allotment.

We found no report of 'non-allotment' and 'unfelt need' for kerosene for Blocks, Towns and hence for the District, considering both BPL and APL households.

The Block wise distribution of the satisfied households among BPL and APL Block-wise does not show any uniform trend for sugar. Similarly, the BPL unsatisfied households as percentage of all BPL households for any Block does not show uniformly higher or lower percentage when compared with APL unsatisfied households as percentage of all APL households for any particular Block, sugar being the item considered.

Withdrawal of Sugar from the PDS

The question of withdrawal of sugar from the PDS is hypothetical in the sense that, given the actual consumption requirements of sugar of the respective economic categories and given prevailing actual prices in the open market and FPSs, the question aims at examining what would happen if sugar is not at all distributed through the FPS. In collection of information from the field, however, we could not question the knowledge or ignorance of the respondents (households) in understanding the uncertainties in response to the question that is speculative in nature.

There is no uniform response in adverse effect with respect to withdrawal of sugar from the PDS. There are inter-Block and inter-Town variations in this response, and also there are inter-economic categories variations considered intra-Block and intra-Town in terms of adverse and non-adverse cases in response to the question of withdrawal of sugar. Nor is there any major variation in distribution of households by BPL and APL categories, intra-Block and intra-Town, in terms of revealing adverse effect consequent upon the withdrawal of sugar from the PDS.

Confinement of PDS to Rice and Wheat only

There is uniformity in general in distribution of unsatisfied households by economic categories with respect to confinement of PDS to rice and wheat only. In terms of distribution of unsatisfied households over economic categories, there is no uniformity by intra-Block and intra-Town calculations. The focus in the responses of the households in general is against confinement of PDS to rice and wheat only.

The reasons put forward by the unsatisfied households in response to the question of confining PDS to only rice and wheat include factors like 'irregular distribution of these items', 'poor quality of these items', 'higher FPS price relative to market price', 'essentiality of kerosene in particular', 'essentiality of kerosene and sugar' etc. Thus, the response of the unsatisfied households range from 'obstruction of kerosene and sugar' from being withdrawn from PDS to initiating positive steps for distribution of quality-rich items of rice and wheat regularly at really fair price.

The reasons put forward by satisfied households in response to the question of confinement of PDS to only rice and wheat include conditions like 'regular distribution of these items for the whole month', 'improved quality of items', 'lower FPS prices', 'increased allotment' etc. For both BPL and APL categories, what matter for their satisfaction lie in 'FPS price vis-a-vis open market price', and 'quantity allotment vis-a-vis quantity requirement' of items.

Requirement of Kerosene

The response of the households regarding their need for kerosene distributed through the FPS is clearly in favour of regular supply even when the residential houses have electricity. The inter-economic category (BPL and APL) variations in response over Blocks and Towns for 'felt' and 'unfelt' need for kerosene in hypothetical presence of electricity is not uniform. The precise point is that the supply of electricity does not in general make any difference so far as the requirement of kerosene being satisfied through FPSs is concerned.

Verification of Ration Cards

On the assumption of one card possessed by one household, it is confirmed that the State Department has verified most of the cards. This verification has been done half-heartedly in the sense that only the identity of the cardholder has been checked once for all with no action taken as a follow-up measure like cancellation of false/misplaced cards, issuing new cards to the card-less, and steps taken regarding expansion in units.

Distribution of Ration Cards

- (i) Many income-poor (BPL) families have remained cardless,
- (ii) Many BPL families have yellow cards, which are meant for non-poor,
- (iii) Many non-poor families have white cards, which are meant for the poor.

The above imply non-distribution of cards and wrong distribution of cards.

Awareness of the Households regarding Price Chart, and Price Information

We examined awareness of the households in terms of the indicators like visibility of Price Chart at FPSs and hence price information. The non-visibility of Price Chart at FPS is cited more by BPL households, the latter seen as percentage of all BPL households reporting non-visibility and seen also as percentage of all households reporting non-visibility of Price Chart.

The ignorance of the households regarding visibility of Price Chart at FPSs is much less for urban areas relative to the rural areas.

The correctness of Price Information, even when the Price Chart is available in FPSs, is questionable, as reported by the households of all categories, BPL and APL. For urban areas, the percentage of households in the category of confirmation in availability of correct information is higher, relative to those for the rural areas. We found no unique weight-differential between BPL and APL households, weightage calculated by percentage of

households in the respective categories as percentage of their respective total number in the Blocks and the Towns, in their responses to correctness of Price Information.

The precise point is that most of the households, both BPL and APL, do not know the correct price of items being distributed for them through the FPSs. The fact is that the households in urban areas did not confirm as having correct price information of rice and wheat. The inter-regional variations (Blockwise and Townwise) in the number and percentages of households (separately within BPL and APL and between BPL and APL) does not make much sense in a state of wholesome ignorance (lack of awareness) of most of the households about correct price information of items distributed through the FPSs.

The distribution of the households at the District level between BPL and APL households who know the names of the relevant FPS Dealers is equiproportionately related with the distribution of all households selected between BPL and APL categories of households.

Perception of the households about FPS Dealers

Most of the households in general expressed satisfaction about the FPS dealers. There are inter-regional variations (Block wise and Town wise) in the distribution of households who expressed satisfaction. Also, there are inter-economic category variations in the extent of satisfaction, intra-Block and intra-Town, with no uniformity.

Most of the households conveyed that the FPS Dealers follow scheduled time in operating the shops. There are, however, inter-Block and inter-Town differences in the perception of the households regarding scheduled time followed by the FPS Dealers. The category characterizing ignorance of the households about time followed by the FPS Dealers covers more of BPL households relative to the APL households as percentages of their respective totals.

Perception of the households about the Role of Panchayats in PDS

The distribution of households who are aware of the role to be played by the Panchayats in PDS is evenly distributed over BPL and APL categories, as percentages of their respective totals. There are, however, inter-regional variations in 'prudent' and 'ignorant' households in terms of perception about the role of Panchayats in PDS.

Perception of the FPS Dealers about the Role of Panchayats in PDS

The factors by which the FPS Dealers perceive the role of Panchayats in PDS include both positive and negative functions by Panchayats in helping or hindering the functioning of the PDS. The negative factors that hinder the desired functioning of the PDS are not mentioned by the FPS Dealers operating the shops for a period of less than 5 years.

Perception of the Panchayat Members about the Role of Panchayats in PDS

Almost all the existing and ex-members in Panchayats accepted in principle the responsibility of ensuring regular distribution of items through PDS.

Reactions of FPS Dealers about the State Supply Department

Most of the FPS Dealers revealed their satisfaction with the State Supply Department.

Reactions of the FPS Dealers about the Ration Cardholders

Most of the FPS Dealers expressed satisfaction with the cardholders. There are minor differences in the extent of satisfaction considering FPSs operating between 5 and 10 years.

Reactions of the FPS Dealers about Local Influential People

Majority of the FPS Dealers reported 'no influence' from the local influential people on the PDS. At a very informal level, however, it came to be revealed that the phenomena of influence by local people, including public officials and persons from privileged socio-economic-political categories, were not insignificant.

Problems of FPS Dealers about the quantity of items allotted by the Supply Department

Most of the FPS Dealers expressed satisfaction by 'adequacy' of the quantity of items allotted. The problems cited in this respect cover mainly the FPS Dealers running the shops between 5 and 10 years.

Problems of FPS Dealers Regarding Withdrawal of Quota and Transportation

Excepting 'inadequate allotted quantity', the FPS Dealers running shops for less than five years did not mention any problem regarding quota and transportation of items. The FPS Dealers operating shops for more than five years mentioned most of the problems regarding withdrawal of quota and transportation of items.

Problems of FPS Dealers Regarding Undistributed Items

The reasons and methods of distributable items going to the open market and items distributable for the BPL households going to the APL households have been reported by the FPS Dealers, particularly those Dealers operating for more than five years.

Awareness of the FPS Dealers about the Commission on Different items

The distribution of the number of FPS Dealers in terms of their knowledge about the commission on items they are entitled to vary sharply between items. There are also inter-regional variations in knowledge of FPS Dealers about the rate of commission on the items.

5.2 Major Suggestions

The economic categories of the households, and the Fair Price Shop Dealers that we covered in the sample, and also the responses of the Panchayat Members, have been taken as the base for the suggestions offered here.

Households

For the minority of the households the PDS may be confined to distribution of rice and wheat only, if (i) quantity allotted of each of these items is according to the need of the households per period, (ii) the allotted items are distributed regularly throughout the

month/period, (iii) the quality of items are improved for same price per unit, (iv) the FPS price per unit of items is less than open market price.

For the majority of the households, both kerosene and sugar are essential for distribution through the FPSs; this response is more prominent regarding kerosene. The supply of electricity in the residential houses of the households does not make any difference so far as requirement for kerosene is concerned. The focus of the responses of the households in general is against confinement of PDS to rice and wheat only.

The suggestions is general offered by the households for improved functioning of the PDS are:

- (i) Information must reach the cardholders well in advance per period (month) regarding arrival and distribution of items through the FPSs,
- (ii) There has to be regular distribution of items throughout the period (month),
- (iii) There has to be provision for the poor (BPL) households to get the items from the FPSs in installments,
- (iv) Quantity of kerosene allotted per household per period should be increased,
- (v) Quality of all items should be better,
- (vi) Edible oil should also be distributed through the FPSs,
- (vii) Quantity of sugar should be allotted more (mainly suggested by the APL households),
- (viii) Rice and Wheat should be distributed to the APL households at the same price as it is for the BPL households (mainly suggested by the APL households),
- (ix) The price of items distributed through FPSs should be lower than open market price,
- (x) The price of kerosene per liter should be reduced,
- (xi) The FPS should be located inside the village,
- (xii) There has to be regular inspection over the system operating at the village level,
- (xiii) Ration Cards should be issued to card-less households,
- (xiv) Assessment for identification of BPL and APL cardholding should be corrected,
- (xv) Diversion of items to open market should be stopped,
- (xvi) Quantity of rice and wheat per household per period should be increased.

By economic categories, BPL and APL, there are not major differences in suggestions offered for improving the PDS.

Fair Price Shop Dealers

The suggestions in general offered by the FPS dealers for improved functioning of the PDS are:

- (i) Quantity allotted by the Supply Department should be adequate for each item,
- (ii) The Godown-in-Charge has to be present during delivery/withdrawal of items,
- (iii) Late delivery of items (by the Supply Department) should be stopped,
- (vi) Commission (illegal payment) and Bribing should be stopped in the relation between FPS Dealers and Supply Department,
- (v) The FPS prices fixed for distributable items should be lower than open market prices (for same quality of items),

- (vi) Quality of items released from the Supply Department for distribution through FPSs should be improved,
- (vii) Measures are needed, to be initiated by the Supply Department, which reduce the transportation cost of the FPS Dealers in carrying items for distribution,
- (viii) There has to be non-discrimination in releasing quality items to the FPS Dealers running shops for varying years,
- (ix) There has to be allotment of items for card-less households,
- (x) Awareness should be built so that cardholders come with verified cards and cardless households do not come for drawing items from the FPSs,
- (xi) Monsoon-related transportation problems for carrying items for distribution at the local level should be taken care of by the Supply Department.

Panchayats

The suggestions, in general, offered by Panchayat members for improved functioning of PDS are:

- (i) Panchayats should ensure regular distribution of items at village level,
- (ii) Panchayats should check the stocks in the FPSs at the beginning and at the end of distribution of items per period,
- (iii) Panchayats should check the quantity distributed per household per period, check the visibility of Price Chart and also check price list of items,
- (iv) Panchayats should take care of issuing new cards, particularly for card-less households.

In addition to these, the suggestions that we received from the Supply Inspectors (while in field) and the personnel in the State Supply Offices, including Regional Food Office, have been taken care of in the following Chapter.

Recommendations

'Each household ...can store grains and other commodities only if authorized to do so; these can be requisitioned in times of calamities' (Kautilya, 'The Arthashastra', in L.N. Rangarajan (Ed), 1992, Penguin Books, p. 255).

6.1 Introduction

The objective of the Public Distribution System in India is to guarantee for the low-income population a desirable per capita consumption of food. The supply-side nature of PDS shows that even when there is stock and its release for distribution among the target group, a sizeable section of the poor may not have access to it, the reason being income-poverty. Reducing price of foodgrains has no lower limit, or it is zero at the lower limit, which implies free distribution. This is not feasible. The subsidy-constrained determination of positive price requires selection of target groups of population to be served, target commodities for distribution for inclusion in the Public Distribution net and exclusion of the groups of population that deserve to be excluded. The example that is quoted most in the context of access of the poor to food and thus ensuring social safety is the Food Stamp Act of 1964 in the USA (Claffey and Stucker, 1982, p. 42; Suryanarayana, 2000, p. 111). The benefits of this programme go directly to those food-consumers who earn most of their income to be spent on food. The public distribution system in India, particularly the targeted one launched since 1997, keeps in mind the similar logic.

6.2.1 Recommendations based on the Study

Based on the facts that we collected for the District of Allahabad regarding the functioning of the Public Distribution System, and based on the observations that we gathered in our conversations with the beneficiaries, we offer our recommendations for improving the PDS in India. We recommend the continuation of the Targeted Public Distribution System (TPDS) for the District of Allahabad, in keeping with the major policy perspective announced in 1997 by the Government of India when it was launched.

For effective, efficient, and transparent functioning of TPDS, we recommend the following measures:

- (1) We recommend enhanced allotment of rice, wheat, and kerosene per household per period, to be distributed through the FPSs. This enhanced allotment should cover as much as practicable the consumption requirements of these items per household per period. This distributive strategy is to be seen in a dynamic context of changing asset (land)-income-consumption distributions and compositions.
- (2) Based on the fact that most of the BPL households are regular buyers of rice, wheat, and kerosene, provided they have prior information about arrival of these

items, we recommend the distribution of rice, wheat, and kerosene by the exact quantity allotted at the right price. Also, based on the fact that there is irregular distribution of these items, combined with the prevailing low (and often lower) market price per unit of rice and wheat, we recommend the ensuring of regularity in withdrawal of these items by the FPS Dealers for distribution among the households without any time lag.

- (3) We recommend provision of purchase of rice, wheat, and kerosene by installments for a particular section of BPL households who do not have disposable money as and when required (say, on a daily or weekly basis). One example in our study is the case of 'stone-breakers' in the Sankargarh Block of the District of Allahabad. The strategy of provision for 'Due Slip' for such sections of cardholders to show their entitlements for the period (month) is a step in the right direction. The modus operandi for execution of this 'Due Slip' strategy may be left to the Panchayats, with Supply Inspectors operating at the village level working as mediators between Panchayats and State Supply Department. One of the mechanisms, we suggest, is 'Pay as and when the portion of items bought'.
- (4) It followed from our observation that most of the BPL households need sugar on a regular basis in their consumption basket. However, the irregular distribution of sugar by the FPSs is the major reason for non-purchase of sugar by the BPL households from the FPSs. Often availability of only a negligible fraction of the allotted quota of sugar per card leads to non-purchase of sugar by the BPL households. This is in spite of the fact that the intra-BPL inter-commodity price-differential for sugar is much higher relative to other commodities, like rice and wheat, distributed through the FPSs. The subsidy claimed to be provided by the Government of India on sugar is not tenable at least at the time of our study when the price-differential between open market and FPS for sugar is almost non-existent. We recommend thus allotment and distribution of right quantity of sugar per card for BPL households. The quantity of sugar required on average for consumption is only 1.7 Kg. per household per month for the BPL in the District of Allahabad. Thus, we have reasons to reject the hypothesis of 'huge subsidy' on sugar account for supply to BPL households. The flexibility in policy option lies in withdrawal of sugar from being allotted for APL households, thereby reducing the procurement, storage, and transportation cost on account of sugar by the State Department. The assumption is that the APL households can afford to buy sugar from the open market. We, however, recommend 'special' distribution of sugar during festivals. This special amount may follow allotment of a 'lump-sum' amount by the Supply Department and distributed by the FPS in a proportion determined by the total quantity allotted divided by the number of cardholders attached to the concerned FPS.

- (5) Based on the information of undistributed items in stock with the FPS Dealer, we recommend allotment of the balance of items for the following month by the Supply Department, the balance calculated after subtracting the stocks of the preceding month from regular allotment of the following month. The Supply Inspector-in-Charge of the cluster of villages will be responsible for reporting on undistributed stock item wise to the Supply Department. In case of repetition of undistributed items and its probable accumulation over periods (months) with the FPS Dealers, an inquiry by the State Supply Department has to be conducted by a 'Fact Finding Committee', as and when necessary, regarding the non-functioning of the distribution system.
- (6) Generally the price-differential for each of rice and wheat between economic categories, BPL and APL, did not work at the level of the villages in the District of Allahabad. This is, as reported by the APL households, in the sense that 'rice and wheat are not allotted to the APL households'. The fact as we observed is that the APL households demanded rice and wheat at the same price as being paid by the BPL households. Maintaining this price-differential for each of rice and wheat at the village level de facto implies confinement of distribution of rice and wheat to BPL households only. We reject the price-differential (from the same window at the same point of time) as a policy strategy and recommend quantity-differential for rice and wheat by BPL and APL categories, the allotment per household for the latter obviously being less than the former.
- (7) In keeping with the recommendations (1) and (6) thus, we recommend enhanced allotment of each of rice and wheat per household per period for BPL category, and reduced allotment of each of rice and wheat per household per card for APL category. The final outcome on total quantity to be allotted for rice and wheat at a single FPS level, and for summation of FPSs, will depend on percentage of cardholders in the BPL and APL categories, and their withdrawal-cum-consumption habits of these items.
- (8) We recommend reduced price of kerosene per liter for all households, BPL and APL, than what it is now even if it costs more to the public exchequer. This reduced price of kerosene per liter is expected not to lead to significant increase in demand for kerosene. Rather, the implicit saving (income transfer) on kerosene account is expected to be spent by the households on enhanced rice and wheat allotted.
- (9) We oppose automatic cancellation of licence/quota of FPS Dealer even if the Dealer repetitively fails to withdraw items from the Supply Office. We recommend for the State Supply Department initiation of action only after time-bound inquiry is made about the non-withdrawal of items.

- (10) We recommend raising the rate of commission for the FPS Dealers on rice, wheat, sugar, and kerosene per unit with immediate effect. These rates should be informed to the FPS Dealers.
- (11) We recommend strong vigilance by the Panchayats and Supply Inspectors over visibility of 'Correct Price Chart' for the items in the FPS. We also recommend 'secret and sudden' vigilance by the Regional Food Officer or any competent authority on his behalf to check the quantity and quality of items, undistributed stock etc. in the FPSs. The 'secret and sudden' vigilance has to cover at random the households from both the BPL and the APL categories selected from all the 'Hamlets' within a particular village.
- (12) We recommend the active and positive role of Panchayats in preparing 'correct schedule' of cardholders, cardless households, and BPL and APL categories by income and occupation. This role of Panchayats has to be interactive with State Supply Office/BDO etc. for cross check/double check to ensure transparent functioning of the system. In this context, we recommend Training for Panchayat Members, including Panchayat Presidents, arranged by the State Supply Department. These training programmes should take into confidence the consumers' bodies (NGOs), Research Institutes and Universities located in the neighbourhood to play a constructive role.
- (13) We recommend reduced number of FPSs for vigilance by a single Supply Inspector. The State Supply Department will have to ensure residence for stay for the Supply Inspector in the locality and impose compulsion on him to stay in the locality (whether or not in the assured residence in the locality) where he is supposed to function. We also recommend a 'Vigilance Committee' at the village level formed by the households from both the BPL and the APL categories. The State Supply Department will be expected to collect information on the functioning of the PDS at the village level from the Village Vigilance Committee.
- (14) We strongly recommend a 'State Vigilance Committee' for the efficient and transparent functioning of PDS. This committee has to be autonomous in the sense of being independent of the State Supply Department and District and Block Offices working towards the same purpose. However, the functions of the autonomous 'State Vigilance Committee' are to be seen as complementary to the existing administrative network.
- (15) We recommend public display of quantity of items distributed by the FPS Dealers per period, and quantity of items remaining undistributed, one month-wise calendar used for each of these 'displays'. The State Supply Department will have to provide these calendars through the Supply Inspectors for use by the FPS Dealers.
- (16) We recommend the ensuring of compulsory maintenance of records for each of sale, stock, and Ration Card Master Register by the FPS Dealers.

- (17) We recommend the ensuring of verification of ration cards at the level of households each year, issue new cards (for example, for new-born babies), issue cards to cardless households/individuals, cancel false cards, reorient misallocated (for example, by BPL and APL categories) cards etc.
- (18) We recommend the revision of the 'Charter' (for PDS) which offers the economically well off individual the eligibility for selection as an FPS Dealer. We specifically recommend allotment of new FPS Dealership to local unemployed educated youth, preferably from the socially disadvantaged and economically vulnerable section of the locality.
- (19) With the withdrawal point of items shifting to Regional (Tehsil Godown) level for the FPS Dealers from the previously fixed FCI Godown, the process of withdrawal has become a lengthy process, with the additional problem of keeping budget (disposable money) in the hands of the distributing authority (Nigam at the Regional Level). The Nigam/ Government Department will have to make provision for this budget, rather than depending on money receipt in advance from the FPS Dealers, the latter seeking to withdraw items. The State Supply Department will have to check proper disposal of items at the Regional (Tehsil) level.
- (20) The State Supply Department will have to take appropriate steps to stop criminal/illegal interference in the PDS network at the local level. The Department is being requested to seek the support of the local people/village level workers/social activists in this regard.
- (21) We recommend the ensuring of positive role of Panchayats/NGOs/Supply Department/Media for propaganda at the village level for development of awareness of the households regarding 'right to food at fair price'.

6.2.2 Recommendations at a Glance

- ◆ Ensure regular distribution of rice, wheat, and kerosene by exact quantity allotted at right price. Ensure withdrawal of rice and wheat by the FPS Dealers for distribution among the households without any time lag.
- ◆ Ensure enhanced allotment of rice, wheat, and kerosene per household per period so as to converge to the consumption requirements of the households per period for these items.
- ◆ Delete price-differential for rice and wheat over BPL and APL categories and ensure quantity-differential by allotting more of these items per household per period in favour of the BPL category.
- ◆ Ensure reduced price of kerosene per liter for all households, BPL and APL, even if it costs more to the public exchequer.
- ◆ Ensure provision of purchase of rice, wheat, and kerosene by installments for that

section of BPL households who can not have disposable money as and when required to buy these items. Adopt a strategy of 'Due Slip' to be issued by the FPS Dealers to the targeted sections as such within the BPL category of households.

- ◆ Ensure allotment and distribution of sugar for BPL households at the prevailing price. Withdraw allotment of sugar for APL households. Announce 'special' distribution of sugar during Festivals for both BPL and APL households.
- ◆ Raise the rate of commission on distribution of each of rice, wheat, sugar, and kerosene per unit for the FPS Dealers with immediate effect.
- ◆ Ensure release of quota to be withdrawn by the FPS Dealer in a particular period (month) after subtracting 'undistributed items' of the preceding period (month). Set up a fact-finding Committee, as and when necessary, to find out the reasons behind repetition of undistributed items accumulated over periods.
- ◆ Initiate time-bound inquiry for repetitive non-withdrawal of items by an FPS Dealer instead of automatic cancellation of licence/quota of the Dealer.
- ◆ Ensure compulsory maintenance of records for each of sale, stocks, and Ration Card Master Register by the FPS Dealers.
- ◆ Ensure allotment of new FPS Dealership to local educated unemployed youth preferably from the socio-economically-disadvantaged sections in the locality.
- ◆ Stop criminal/illegal interference in the PDS network at the local level.
- ◆ Ensure verification of Ration Cards at the local level, including issuing new cards, canceling false cards etc.
- ◆ Ensure budget provision at Nigam/Regional Supply Office for allotment of quota to the FPS Dealers, rather than asking the Dealers to pay money in advance.
- ◆ Ensure public display of quantity of items distributed by the FPS Dealers per period, and quantity of items remaining undistributed. The State Supply Department is being requested to provide necessary calendar to the FPS Dealers for the said purpose.
- ◆ Ensure reduced number of FPSs for vigilance by a single supply Inspector. The State Supply Department is expected to collect information from the 'Vigilance Committee' voluntarily formed by the consumers (households) at the village level regarding the functioning of the PDS at the local level.
- ◆ In addition to strong vigilance by the Panchayats and Supply Inspectors over visibility of Correct Price Chart in the FPS, ensure 'secret and sudden' vigilance by RFO to check items in FPSs by quantity and quality and undistributed stocks. The vigilance by the RFO has to cover households also, both BPL and APL, at random in the concerned village.
- ◆ Ensure active and positive role of Panchayats in an interactive manner with the State Supply Department/BDO etc regarding preparation of correct schedule of cardholders, by BPL and APL, and hence make it transparent. Ensure training for Panchayat members for convergence to perfect functioning of the system. Ensure

active and positive role of Panchayats for development of awareness of households regarding the 'right to food at fair price'. This requires an interactive frame among Panchayats, NGOs, Supply Department, and Media.

- ◆ Form an autonomous State Vigilance Committee to work as a complementary unit with the existing administrative network meant for the PDS.

We suggest introduction of supplementary measures like:

- (i) guarantee of social security through schemes like Employment Guarantee Scheme as in Maharashtra, Unemployment Allowance/ Insurance etc. (ILO, 2000, p. 165, 167),
- (ii) Food for Work Scheme, that can supplement PDS,
- (iii) Food Coupon or Food Stamp system for the income-poor.

Cash support or cash aid, with or without food aid, as a strategy can not be sustained. In fact, it may lead to 'food battles' (Dreze and Sen, 1989, p. 96). There has to come thus a strategy like cash for work, for example, the one adopted by the government of Maharashtra during 1972-73 drought (Dreze and Sen, 1989, p. 101). Maharashtra has been duly recognized for its public intervention through the Employment Guarantee Scheme (EGS) in terms of its effectiveness in reducing poverty and food insecurity (Suryanarayana, 1999, p. 78). Even if this injection of cash leads to inflation by increasing food prices, it will be progressive by having its origin in higher purchasing power of the poor. The prescription works better if additional employment is generated in the food sector. The food sector based generation of employment may fail to uplift the income-poor above the poverty line for the simple reason that the wage rate for these labourers may be too low to uplift them above the poverty line (Dev, 2000, p. 198). The purpose of our study is however not to prescribe how poverty can be eliminated. One of the objectives of our study is to examine the question of access of the income-poor to the essential commodities and thus examine the feasibility of the PDS to protect the poor. Since these measures ensure direct and indirect income, including income transfer, to the socially and economically disadvantaged sections of the population, hence PDS, even if it is a supply-side measure, can protect the poor when supported by the measures that we suggested.

References

- Ahluwalia, M.S., 1996, New Economic Policy and Agriculture: Some Reflections, Indian Journal of Agricultural Economics, Vol. 51, No. 3, July-Sept.
- Balakrishnan, P., 1999, 'Agricultural Growth and Economic Welfare since 1991.' presented in the Foundation Day Seminar on 'Rural Prosperity and Agriculture: Strategies and Policies for the Next Millenium, Nov. 4-5, National Institute of Rural Development, Hyderabad, India.
- Balakrishnan, P. and Ramaswami, B., 2000, Analysing Public Intervention in the Foodgrains Markets, Krishnaji, N. and Krishnan, T.N.(Ed), Public Support for Food Security, The Public Distribution System in India, Sage Publications, New Delhi.
- Chatterjee, P.K., 1995, Emerging Perspectives of Agricultural Development in India, Indian Journal of Agricultural Economics, Vol. 50, No. 3, July-Sept.
- Claffey, Barbara A., and Stucker, Thomas A., 1982, The Food Stamp Program, in Hadwiger Don., F., and Talbot Ross B, 'Food Policy and Farm Programs,' New York.
- Clay, Edward, 1981, Food Policy Issues in Low-Income Countries, World Bank Staff Working Paper No. 473, Washington D.C.
- Dandekar, V.M., 1994, 'The Indian Economy, 1947-92', Vol. I, (Agriculture), Sage Pub., New Delhi.
- Dantwala, M.L., 1993, Agricultural Policy: Prices and Public Distribution System, Indian Journal of Agricultural Economics, Vol 48, No. 2, April-June.
- Dev, S. Mahendra and Ranade, Ajit, 1997, 'Poverty and Public Policy, A Mixed Record', Parikh, Kirit S. (Ed), India Development Report, 1997, Oxford Univ. Press, Delhi.
- Dev, S. Mahendra, 2000, Food Security with Emphasis on PDS vs EGS: A Tale of Two States, in Krishnaji, N., and Krishnan, T.N.(Ed), Public Support for Food Security, The Public Distribution System in India, Sage Pub., New Delhi.
- Dreze, J. and Sen, A., 1989, Hunger and Public Action, Clarendon Press, Oxford.
- Food and Agriculture Organization of the United Nations, 1987, 'Agricultural Price Policies: Issues and Proposals', Rome.
- Ghose, Ajit Kumar, 1999, 'Food Supply and Starvation : A Study of Famines with Reference to the Indian Sub-Continent', in Dreze, Jean (Ed), The Economics of Famine, Edward Elgar Pub. Ltd., UK.
- Government of India, 1991-92, Economic Survey.
- Government of India, 1992-93, Economic Survey.
- Government of India, 1993-94, Economic Survey.
- Government of India, 1994-95, Economic Survey.
- Government of India, 1995-96, Economic Survey.
- Government of India, 1996-97, Economic Survey.
- Government of India, 1997-98, Economic Survey.
- Government of India, 1998-99, Economic Survey.
- Government of India, 1999-2000, Economic Survey.
- Government of India, Ministry of Agricultural and Irrigation, 1976, Report of the National Commission on Agriculture, Part I and Part II, New Delhi.

- Hopkins, Raymond F., 1982 'Food Policymaking', in Hadwiger Don., F., and Talbot Ross B., Food Policy and Farm Programs, New York.
- Institute of Social Sciences, 2000, Status of Panchayati Raj in the States and Union Territories of India, Concept Pub. Co., New Delhi.
- International Labor Office (ILO), 2000, World Labor Report, Geneva.
- Janvry, Alain De and Subbarao, K., 1986, Agricultural Price Policy and Income Distribution in India, Oxford University Press, Delhi.
- Johl, S.S., 1995, Agriculture Sector and NEP, Indian Journal of Agricultural Economics, Vol. 50, No. 3, July-Sept.
- Kautilya, 'The Arthashastra', in Rangarajan, L.N., (Ed), 1992, Penguin Books.
- Khusro, A.M., 1973, Buffer Stocks and Storage of Foodgrains in India, Tata McGraw-Hill Pub. Co., Bombay-New Delhi.
- Lappe F.M., and Collins J., 1977, Food First, The Myth of Scarcity, Souvenir Press (E&A) Ltd., London.
- Majumder, Bhaskar, 1999, 'Liberalization of Indian Agriculture: The Relevance of Public Intervention in the Market for Foodgrains', IASSI Quarterly, V.17, N. 4 April-June.
- Majumder, Bhaskar, 1999, 'Liberalization of Indian Agriculture: Implications for the Home Market for Foodgrains', in Roychoudhury, K.C., and Singh, R.P.,(Ed), National Institute of Rural Development, Hyderabad, India.
- Meenakshi, J.V., 2000 'Food Consumption Trends in India: A Regional Analysis', in Krishnaji, N., and Krishnan, T.N.(Ed), Public Support for Food Security, The Public Distribution System in India, Sage Pub., New Delhi.
- Mellor, John W. and Desai, Gunvant M., 1986, 'Agricultural Change and Rural Poverty: A Synthesis', in Mellor, John W. and Desai, Gunvant M. (Ed), Agricultural Change and Rural Poverty, Variations on a Theme by Dharm Narain, OUP, Delhi.
- Mooij, Jos, 1999, Food Policy and the Indian State, The Public Distribution System in South India, Oxford Univ. Press, Delhi.
- Narayana, N.S.S., Parikh, Kirit S., Srinivasan, T.N., 1991, Agriculture, Growth and Redistribution of Income, North-Holland in association with Allied Publishers Ltd, New Delhi.
- Pearse, Andrew, 1980, 'Seeds of Plenty', Seeds of Want, Social and Economic Implications of the Green Revolution, Clarendon Press, Oxford.
- Rajiv Gandhi Foundation, 2000, Panchayati Raj in India, Status Report 1999, March, New Delhi.
- Rao, V.M., 1996, 'Policy Research for Liberalized Agriculture: Some Illustrated Research Areas, Indian Journal of Agricultural Economics, Vol. 51, Nos. 1&2, Jan-June.
- Savy, Robert, 1972, Social Security in Agriculture and Rural Areas, International Labour Office, Geneva.
- Storm, Servass, 1997, Trade Liberalization, the Terms of Trade and Agricultural Growth: The example of India, in Bhaduri, A. and Skarstein, R. (Ed), Economic Development and Agricultural Productivity, Edward Elgar, UK.
- Suryanarayana, M.H., 1999, 'Poverty, Food Insecurity and Levels of Living: Maharashtra', Journal of Indian School of Political Economy, Vol. XI, No. 1, Jan-March.
- Suryanarayana, M.H., 2000, Food Security and Calorie Adequacy Across States: Implications for Reform, in Krishnaji, N., and Krishnan, T.N.(Ed), Public Support for Food Security, The Public Distribution System in India, Sage Pub., New Delhi.
- The Hindu, 2000, Oct. 1, Sunday.

Questionnaires

1.	Questionnaire for Households	133-138
2.	Questionnaire for Fair Price Shop Dealers	139-142
3.	Questionnaire for Villages	143-149

गोविन्द बल्लभ पंत सामाजिक विज्ञान संस्थान, इलाहाबाद

Questionnaire for Households in Villages to be Surveyed in the District of Allahabad for the Project "Public Distribution System" etc.

विकास खण्ड:- ग्राम पंचायत:- गांव:-

1. उत्तरदाता का नाम:-

2. पिता का नाम:- जाति:- (SC/ST-1, OBC-2, Gen.-3, Min.-4, Other.-5)

3. आयु:- 4. लिंग:- (पु0-1, म0-2)

5. शिक्षा:- 6. व्यवसाय:-

7. परिवार के सदस्य:-
कुल पुरुष महिला बच्चे

8. पारिवारिक विवरण:-

क्र०सं०	नाम	सम्बंध	लिंग	आयु	शिक्षा	मुख्य व्यवसाय
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						

संकेत:- सम्बंध (माता-पिता-1,पति-पत्नि-2,भाई-बहन-3, पुत्र-पुत्री-4, पोता-पोती-5, बहू-6 नौकर-7, अन्य-9)

शैक्षिक स्तर (निरक्षर-1, साक्षर-2, प्राथमिक-3, उच्च-प्राथमिक-4, माध्यमिक-5, उच्चतर माध्यमिक-6, उच्च-7, तकनीकी-8, अन्य-9)

व्यवसाय (कृषि-1, कृषि मजदूर-2, गैर कृषि मजदूर-3, प्राइवेट नौकरी-4, सरकारी नौकरी-5, लघु व्यवसाय-6, कुशल कारीगर-7, गृहणी-8, छात्र-10, बेरोजगार-11, अन्य-9)

9. यदि एक से अधिक व्यवसाय में संलग्न है तो मुख्य व्यवसाय क्या है?
 (अ) आमदनी के संदर्भ में -
 (ब) समय खपत के संदर्भ में -
10. आपके परिवार में किन क्षेत्रों से आय प्राप्त होती है?
 (अ) कृषि - 1 (स) नौकरी - 3
 (ब) उद्योग - 2 (द) अन्य (स्पष्ट उल्लेख करें) - 4
11. क्या आपको वस्तु के रूप में भी आमदनी होती है? (हां-1, नहीं-2)
 यदि हां, तो किस रूप में-
12. आपके परिवार का वार्षिक आय क्या है? ₹0
13. क्या आपका परिवार गरीबी रेखा के नीचे जीवन बसर कर रहा है?
 (हां-1, नहीं-2)
14. किस वर्ष आपका परिवार बीपीएल परिवार के लिये चिन्हित हुआ?
15. बीपीएल पहचान पत्र आपको किसके माध्यम से प्राप्त हुई?
16. राशन की दुकान आपके घर से कितनी दूर है?
 (गांव में-1, 1 किमी से 2 किमी - 2, 2 किमी से अधिक - 3)
17. आपके गांव में राशन की कितनी दुकाने है?
18. क्या आपके पास राशन कार्ड है? (हां-1, नहीं-2)
19. यदि हां, तो राशन कार्ड का रंग कैसा है?
 (सफेद (BPL)-1, पीला (APL)-2, हरा (ANP)-3)

20. आपके परिवार में कितने राशन कार्ड हैं?

	कार्ड संख्या	यूनिट संख्या
BPL	<input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>
APL	<input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>
ANP	<input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>
Total	<input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>

21. जिस दुकान से आप राशन सामग्री प्राप्त करते हैं उस कोटेदार का नाम क्या है?
22. आपके परिवार में मुख्य खाद्य सामग्री की खपत कितनी है, राशन की दुकान से कितनी सामग्री प्राप्त होती है और उसकी गुणवत्ता कैसी है?

	आवश्यकता	राशन से प्राप्त	गुणवत्ता
(अ) चावल किग्रा0
(ब) गेहूं किग्रा0
(स) चीनी किग्रा0
(द) मिट्टी तेल लीटर
(य) अन्य (स्पष्ट उल्लेख करें)

गुणवत्ता संकेत:- (खराब-1, सामान्य-2, अच्छा-3, बहुत अच्छा-4, अन्य-9)

23. आप कब से राशन की दुकान से राशन प्राप्त कर रहे हैं?

24. आपके नाम का राशन कार्ड कितने वर्ष पूर्व का है?
- (1 वर्ष से कम-1, 1 वर्ष से 5 वर्ष तक-2, 5 वर्ष से अधिक-3)

24. (अ) आपके राशन कार्ड का भौतिक सत्यापन कब हुआ?

25. क्या आप खाद्य सामग्री लेने राशन की दुकान पर नियमित रूप से जाते हैं?
- (हां-1, नहीं-2)

यदि हां, तो कितने दिनों पर (प्रतिमाह-1, त्रैमासिक-2, अन्य-9)

यदि नहीं, तो क्यों?

26. क्या आप अपने घर पर चीनी की खपत नियमित करते हैं? (हां-1, नहीं-2)

यदि हां, तो क्या आप बाजार से अपना पूरा कोटा खरीदते हैं?

(पूरा कोटा - 1, आंशिक कोटा - 2, अन्य-9)

27. क्या आप चीनी नियमित रूप से राशन की दुकान से खरीदते हैं? (हां-1, नहीं-2)

यदि नहीं, तो क्यों?

28. क्या आप मिट्टी तेल नियमित रूप से राशन की दुकान से खरीदते हैं?
- (हां-1, नहीं-2)

यदि हां, तो प्रति कार्ड तेल की मात्रा कितनी है?

29. जितनी मात्रा में मिट्टी तेल आपको राशन की दुकान से प्राप्त होती है, क्या वह पर्याप्त है? (हां-1, नहीं-2)

यदि नहीं, तो आप अपनी अतिरिक्त आवश्यकता कहां से पूरा करते हैं?

30. क्या आपकी राशन सामग्री का उपभोग किसी अन्य परिवार द्वारा किया जाता है? (हां-1, नहीं-2)

यदि हां, तो क्या आप बदले में उसके किसी सामग्री का उपभोग करते हैं? (हां-1, नहीं-2)

31. क्या आप राशन की दुकान से प्राप्त गेहूं, चावल, चीनी एवं मिट्टी तेल की मात्रा से सन्तुष्ट हैं? (हां-1, नहीं-2)

(अ) गेहूं (ब) चावल (स) चीनी (द) मिट्टी तेल
यदि हां, तो कारण स्पष्ट करें-

यदि नहीं, तो कारण स्पष्ट करें-

32. क्या आपको राशन की दुकान से कोई रशीद प्राप्त होती है? (हां-1, नहीं-2)
यदि नहीं, तो क्यों?

33. क्या आपने राशन की दुकान पर दिवाल या दिखने योग्य स्थान पर मूल्य तालिका देखा है? (हां-1, नहीं-2)

यदि हां, तो क्या वहां प्रति किग्रा/प्रति लीटर मूल्य अंकित रहता है? (हां-1, नहीं-2)

34. क्या आप वस्तु खरीदते समय मूल्य तालिका के अनुसार मूल्य देते हैं? (हां-1, नहीं-2)

यदि नहीं, तो राशन सामग्रियों का मूल्य क्या है?

	<u>निर्धारित मूल्य</u>	<u>भूगतान मूल्य</u>	<u>बाजार मूल्य</u>
(अ) चावल प्रति किग्रा0
(ब) गेहूं प्रति किग्रा0
(स) चीनी प्रति किग्रा0
(द) मिट्टी तेल प्रति लीटर
(य) अन्य (स्पष्ट उल्लेख करें)

35. आप अपने पारिवारिक बजट का कितना रुपया प्रतिमाह राशन दुकान से सामग्री लेने पर व्यय करते हैं? रु0

36. राशन की दुकान से केवल गेहूं एवं चावल खरीदने में कितना रुपया व्यय होता है? रु0

37. यदि राशन की दुकान से चीनी को वापस ले लिया जाय तो आपके ऊपर कौसा प्रभाव पड़ेगा?
(कोई प्रभाव नहीं-1, विपरीत प्रभाव-2, अन्य (स्पष्ट उल्लेख करें)-3)

38. यदि राशन की दुकान से मिट्टी का तेल को वापस ले लिया जाय तो आपके ऊपर कौसा प्रभाव पड़ेगा?
(कोई प्रभाव नहीं-1, विपरीत प्रभाव-2, अन्य (स्पष्ट उल्लेख करें)-3)

39. यदि राशन की दुकान से आपको केवल चावल एवं गेहूं प्राप्त हो जो कि आपके आवश्यकतानुसार हो तो क्या आप उससे संतुष्ट होंगे? (हां-1, नहीं-2, अन्य-3)
यदि हां, तो कैसे-

यदि नहीं तो क्यों?

40. यदि आपका गांव/क्षेत्र विद्युतीकृत हो जाय तो क्या आपको राशन की दुकान से मिट्टी के तेल की आवश्यकता होगी? (हां-1, नहीं-2)
यदि हां, तो क्यों?

40. (अ) क्या आपका गांव विद्युतीकृत है? (हां-1, नहीं-2)

40. (ब) यदि हां, तो आपके गांव में प्रतिदिन विद्युत आपूर्ति औसतन कितने घन्टे होती है?

40. (स) यदि रात्रि में विद्युत आपूर्ति सुनिश्चित कर दी जाय तो आपको मिट्टी तेल की कितनी आवश्यकता होगी?

41. क्या आप अपने राशन दुकानदार/कोटेदार से संतुष्ट हैं? (हां-1, नहीं-2)

(अ) यदि आप राशन दुकानदार/कोटेदार से संतुष्ट नहीं हैं, तो इसका कारण है-

(दुकान का समय-1, घटिया खाद्य सामाग्री-2, कम नाप-तौल-3, राशन कार्ड में अनियमित इन्ट्री-4, खाद्य सामाग्री में मिलावट-5, अन्य-6)

42. क्या आपने कभी इस सम्बन्ध में शिकायत दर्ज कराई है? (हां-1, नहीं-2)

यदि हां, तो कहां और उसका क्या परिणाम निकला?

43. क्या आपके अनुसार वितरण प्रणाली का कैसे बेहतर बनाया जा सकता है? सुझाव दें-

44. क्या आपके परिवार में 'अन्नपूर्णा योजना' द्वारा कोई लाभान्वित हुआ है?

(हां-1, नहीं-2)

यदि हां, तो यह लाभ आप कब से प्राप्त कर रहे हैं? माह वर्ष

(क) इस योजना में आपके परिवार का चयन किसके माध्यम से हुआ?

(ग्राम पंचायत/वी०एल०डब्लू०/लेखपाल/ब्लाक कर्मचारी/आपूर्ति विभाग/तहसीलदार/अन्य)

(ख) इस योजना के अन्तर्गत मिलने वाली सामग्री का विवरण दें-

सामग्री का नाम	मात्रा	मूल्य

45. एक उपभोक्ता के रूप में सार्वजनिक वितरण प्रणाली से सम्बन्धित निम्नांकित विषयों पर अपनी जानकारी का विवरण दें? **यदि हां तो माध्यम**

सामान्य नियमावली (हां-1, नहीं-2)

निरीक्षण एवं जांच (हां-1, नहीं-2)

सूचना सम्बन्धी अधिकार (हां-1, नहीं-2)

सर्तकता एवं जनसहयोग (हां-1, नहीं-2)

नागरिक दायित्व (हां-1, नहीं-2)

46. क्या आपके गांव की गठित पंचायत सार्वजनिक वितरण प्रणाली को सुचारु बनाने के दायित्व का निर्वहन करती है? (हां-1, नहीं-2, मालूम नहीं-3)

यदि हां, तो किस प्रकार-

यदि नहीं, तो आपकी राय में इसके प्रमुख कारण क्या हैं? (प्राथमिकता क्रम में बतायें)

47. सस्ते गल्ले की दुकान से खाद्य सामग्री प्राप्त करने हेतु दुकानदार द्वारा कोई निश्चित अवधि निर्धारित की गयी है? (हां-1, नहीं-2, मालूम नहीं-3)

यदि हां, तो क्या निर्धारित अवधि के दौरान आपको खाद्य सामग्री प्राप्त होती है? (हां-1, नहीं-2)

यदि नहीं, तो इसका कारण क्या है?

अन्वेषक की टिप्पणी

अन्वेषक का नाम

दिनांक

गोविन्द बल्लभ पंत सामाजिक विज्ञान संस्थान, इलाहाबाद

Questionnaire for Ration/Fair Price Shop Dealers

विकास खण्ड:- ग्राम पंचायत:- गांव:-

1. कोटेदार का नाम:- 2. आयु:-

3. जाति:- (अ0जा0/अ0ज0जा0-1, पि0जा0-2, सामान्य-3, अल्पसंख्यक-4, अन्य-5)

4. शैक्षिक स्तर:- (निरक्षर-1, साक्षर-2, प्राथमिक-3, उच्च-प्राथमिक-4, माध्यमिक-5, उच्चतर माध्यमिक-6, उच्च-7, तकनीकी-8, अन्य-9)

5. आपके सस्ते गल्ले की दुकान कितने दिनों (सालों/महिने) से चल रही है?

6. क्या आपके पास बांटने योग्य राशन पर्याप्त मात्रा में उपलब्ध रहता है?
(हां-1, नहीं-2)
यदि नहीं, तो क्यों?

7. क्या आपको आपूर्ति विभाग से राशन नियमित प्राप्त होता है? (हां-1, नहीं-2)
यदि नहीं, तो क्यों?

8. आपके सस्ते गल्ले की दुकान से कितने परिवारों को राशन प्रदान की जाती है?
BPL APL Total

9. आपके सस्ते गल्ले की दुकान से जितने परिवारों को राशन प्रदान की जाती है उन परिवारों की सदस्य संख्या कितनी है?

(अ) कुल BPL APL

(ब) वयस्क

(स) बच्चे

10. क्या आपके सस्ते गल्ले की दुकान से BPL परिवार नियमित चीनी खरीदते हैं?
(हां-1, नहीं-2)
यदि नहीं, तो क्यों?

11. क्या आपके सस्ते गल्ले की दुकान से BPL परिवार नियमित मिट्टी तेल खरीदते हैं?
 (हां-1, नहीं-2)
 यदि नहीं, तो क्यों?

12. प्रति यूनिट किनती सामग्री राशन कार्ड धारको को दी जाती है?

	BPL	APL
(अ) चावल
(ब) गेहूं
(स) चीनी
(द) मिट्टी तेल
(य) अन्य (उल्लेख करें)

13. कितने लोग अपने युनिट से अधिक सामान खरीदते हैं?

	संख्या	मात्रा
(अ) चावल
(ब) गेहूं
(स) चीनी
(द) मिट्टी तेल
(य) अन्य (उल्लेख करें)

14. क्या आपके सस्ते गल्ले की दुकान से APL परिवार मिट्टी तेल खरीदते हैं?
 (हां-1, नहीं-2)
 यदि हां, तो (नियमित-1, कभी-कभी-2)
 यदि नहीं, तो क्यों?

15. क्या आपके सस्ते गल्ले की दुकान से APL परिवार चावल एवं गेहूं खरीदते हैं?
 (हां-1, नहीं-2)
 यदि नहीं, तो क्यों?

16. क्या आप अपने सस्ते गल्ले की दुकान पर कार्ड धारकों के लिए मूल्य तालिका
 पर सामग्रियों का मूल्य अंकित करते हैं? (हां-1, नहीं-2)
 यदि नहीं, तो क्यों?

17. जो सामग्री आपके सस्ते गल्ले की दुकान से बेची जाती है उसे प्राप्त करने में किसी प्रभवशाली व्यक्ति का दबाव रहता है? (हां-1, नहीं-2)
यदि हां, तो किस प्रकार का दबाव रहता है?
18. क्या कार्ड धारक नियमित अपना राशन सामग्री ले जाते हैं? (हां-1, नहीं-2)
यदि नहीं, तो क्यों?
19. क्या आप अपने कार्ड धारकों से संतुष्ट हैं? (हां-1, नहीं-2)
यदि नहीं, तो क्यों?
20. क्या आप आपूर्ति विभाग से संतुष्ट हैं? (हां-1, नहीं-2)
यदि नहीं, तो क्यों?
21. क्या आप आपूर्ति विभाग के विरुद्ध कहीं कोई शिकायत दर्ज करवायी है?
(हां-1, नहीं-2)
यदि हां, तो कहां तथा क्या उसका कोई परिणाम निकला?
22. क्या आपको हाल में आपके सस्ते गल्ले की दुकान का किसी अधिकारी द्वारा जांच का अनुभव प्राप्त है (सरकारी कार्यालय/पंचायत/जनप्रतिनिधि)। (हां-1, नहीं-2)
23. सस्ते गल्ले की दुकान से जो भी सामग्री आप बेचते हैं उसमें आपका निर्धारित प्रति किग्रा/प्रति लीटर कमीशन क्या है?
(अ) चावल रु0
(ब) गेहूं रु0
(स) चीनी रु0
(द) मिट्टी तेल रु0
24. कार्ड धारकों द्वारा सामग्री न लेने पर लगभग कितनी सामग्री प्रतिमाह आपके पास बचती है और क्यों?

	मात्रा	कारण
(अ) चावल प्रति किग्रा0
(ब) गेहूं प्रति किग्रा0
(स) चीनी प्रति किग्रा0
(द) मिट्टी का तेल प्रति लीटर

25. यदि आपके गोदाम में राशन सामग्री कार्डधारकों को बांटने के बाद शेष बचती है तो उसे आप क्या करते हैं?

26. जो सामग्री आपको आपूर्ति विभाग से निर्गत की जाती है उसकी गुणवत्ता का स्तर क्या रहता है?

(अ) चावल (खराब-1, सामान्य-2, अच्छा-3, बहुत अच्छा-4, अन्य-9)

(ब) गेहूं (खराब-1, सामान्य-2, अच्छा-3, बहुत अच्छा-4, अन्य-9)

(स) चीनी (खराब-1, सामान्य-2, अच्छा-3, बहुत अच्छा-4, अन्य-9)

(द) मिट्टी का तेल (खराब-1, सामान्य-2, अच्छा-3, बहुत अच्छा-4, अन्य-9)

27. राशन सामग्रियों को प्राप्त करने, उन्हें लाने एवं वितरित करने में आपको किस प्रकार की समस्याओं का सामना करना पड़ता है?

अन्वेषक की टिप्पणी

अन्वेषक का नाम

दिनांक

गोविन्द बल्लभ पन्त सामाजिक विज्ञान संस्थान, इलाहाबाद
सार्वजनिक वितरण प्रणाली कार्यक्रम
ग्राम अनुसूची

1. सामान्य सूचनायें:-

- | | |
|-------------------------------|-------------------|
| 1.1 गाँव का नाम: | उत्तरदाता का नाम: |
| 1.2 ग्राम पंचायत का नाम: | लिंग: |
| 1.3 न्याय पंचायत का नाम: | जाति: |
| 1.4 विकास खण्ड का नाम: | व्यवसाय: |
| 1.5 जनपद का नाम: | पद: |
| 1.6 गांव में टोलों की संख्या: | |
| 1.7 आधार-भूत सुविधायें: | |

सुविधाओं का नाम	उपलब्धता हॉ-1 नही-2	दूरी (कि०मी०)
बस स्टाप		
रेलवे स्टेशन		
टेलीफोन		
विद्युत		
प्राथमिक विद्यालय		
उच्चतर प्राथमिक विद्यालय		
माध्यमिक विद्यालय		
आंगनवाड़ी केन्द्र		
बालवाड़ी केन्द्र		
स्वास्थ्य उपकेन्द्र		
प्राथमिक स्वास्थ्य केन्द्र		
सामुदायिक स्वास्थ्य केन्द्र		
अनौपचारिक शिक्षा केन्द्र		
राष्ट्रीयकृत बैंक		
क्षेत्रीय ग्रामीण बैंक		
भूमि विकास बैंक		
सहकारी समिति		
गन्ना क्रय केन्द्र		
सस्ते गल्ले की दुकान		
मण्डी समिति/सहकारी क्रय केन्द्र		
कृषि बीज भण्डार		
साप्ताहिक बाजार		
निजी चिकित्सक/क्लीनिक		
अ० पंजीकृत चिकित्सक		
दवा की दुकान		
पुलिस थाना/चौकी		
अन्य		

- 1.8 गाँव में मार्ग की स्थिति:- सम्पर्क मार्ग/मुख्य सड़क/कच्चा मार्ग/मार्ग विहीन
- 1.9 यदि गाँव किसी प्रकार के मार्ग से जुड़ा है, तो क्या पूरे वर्ष उक्त मार्ग से आवागमन होता है? हाँ/नहीं
- 1.10 यदि नहीं, तो कितने माह आवागमन नहीं होता?
- 1.11 यदि गाँव विद्युतीकरण के श्रेणी में है तो:-
- (क) इस गाँव में कितने परिवारों को बिजली उपलब्ध है?
- (ख) सामान्यतः गाँव में विद्युत आपूर्ति कितने घण्टे होती है?
- (ग) गाँव में कितने परिवार विद्युत का उपभोग निम्न कार्यों के लिए करते हैं।
- (अ) घरेलू (ब) कृषि
- (स) अन्य (उल्लेख करें)
- 1.12 गाँव के संदर्भ में विवरण दें:-

विवरण	परिवारों की संख्या					
	SC	ST	OBC	General	Minorities	Total
गरीबी रेखा के नीचे						
गरीबी रेखा के ऊपर						
कुल राशन कार्ड धारक BPL						
कुल राशन कार्ड धारक APL						
अन्नपूर्णा योजना						
कुल परिवार संख्या						

2. कृषि सम्बन्धित सूचनायें:-

- 2.1 गाँव के कृषक खेती में किन मुख्य बाधाओं का अनुभव करते हैं? कृपया तीन बाधाओं को प्राथमिकता क्रम में बताएं:- (संसाधनों की कमी-1, भूमि का अभाव-2, बेचने के लिए कम बचता है-3, व्यवसायीकरण नहीं हुआ-4, नई तकनीक का अभाव-5, उचित मूल्य पर बेचने की व्यवस्था नहीं-6, भण्डारण का अभाव-7, अल्पकालिक ऋण की व्यवस्था का अभाव-8, अन्य-9)
- 2.2 गाँव में निम्नलिखित परिसम्पत्तियों की अनुमानित संख्या क्या है
- क. ट्रैक्टरों की संख्या
- ख. श्रैशरों की संख्या
- ग. निजी ट्यूबवैल की संख्या
- घ. सार्वजनिक ट्यूबवैल की संख्या
- 2.3 गाँव में बनाच्छादित क्षेत्रों का उपयोग गाँव वाले किन किन रूपों में करते हैं?
- (जलाऊ लकड़ी/इमारती लकड़ी/फल/चारागाह/अन्य)
- 2.4 गाँव के कृषकों की मुख्य समस्यायें क्या हैं?
- 1.
- 2.
- 3.

3. पंचायत एवं सार्वजनिक वितरण प्रणाली:-

3.1 गाँव के सस्ते गल्ले की दुकान से पिछले तीन माह में वितरित सामग्रियों का विवरण

सामग्री का नाम	क्या वितरण हुआ	यदि नहीं तो कारण
चावल		
गेहूँ		
मिट्टी तेल		
चीनी		
अन्य		

3.2 सार्वजनिक वितरण प्रणाली व्यवस्था को सुनिश्चित करने हेतु आपका मुख्य दायित्व क्या है?

- 1.
- 2.
- 3.

3.3 सार्वजनिक वितरण प्रणाली कार्यक्रम के संचालन में कौन-2 सी मुख्य दिक्कतें हैं?

- 1.
- 2.
- 3.

3.4 ऐसा क्या किया जाय जिससे इस कार्यक्रम का संचालन और बेहतर हो सके?

- 1.
- 2.
- 3.

3.5 क्या आपके गाँव में सार्वजनिक वितरण प्रणाली व्यवस्था पर निगरानी रखने हेतु पंचायत द्वारा किसी समिति का गठन किया गया है? हां/नहीं

3.6 यदि हां, तो इस समिति की मुख्य समस्याएँ क्या हैं?

- 1.
- 2.
- 3.

3.7 गाँव के लिए गठित पंचायतों की मुख्य समस्या क्या है?

- 1.
- 2.
- 3.

3.8 पंचायतों को अधिक प्रभावशाली बनाने के लिए आप क्या सुझाव देंगे?

- 1.
- 2.
- 3.

3.9 गाँव के 6-14 वर्ष के बालकों एवं बालिकाओं के प्राथमिक शिक्षा की समस्या:-

- 1.
- 2.
- 3.

4. अन्य:-

4.1 क्या गाँव में अतिरिक्त भूमि का वितरण भूमिहीनों को हुआ है? हाँ/नहीं

4.2 यदि हाँ, तो किस वर्ष? विवरण दें:-

4.3 क्या आप लोग महसूस करते हैं कि पिछले दस वर्षों के मुकाबले अब गाँव की स्थिति-

स्थिति	√	कारण
बेहतर है		
यथा स्थिति		
बिगड़ गयी		

4.4 आपके गाँव के निर्धनों के लिए संचालित सामाजिक विकास योजनाओं में आप क्या कमियाँ महसूस करते हैं?

- 1.
- 2.
- 3.

4.5 इस गाँव के लोगों की मुख्य स्वास्थ्य समस्याएं क्या हैं?

- 1.
- 2.
- 3.

4.6 क्या सरकार द्वारा संचालित विभिन्न स्वास्थ्य सेवाओं से ग्रामीण परिवारों को लाभ हुआ है? (हां/नहीं)

(क) यदि नहीं, तो इसका कारण क्या है?

- 1.
- 2.
- 3.

4.7 आप अपने गाँव के सभी लोगों को बेहतर स्वास्थ्य सेवा उपलब्ध कराने हेतु क्या सुझाव देंगे?

- 1.
- 2.
- 3.

4.8 उपरोक्त कमियों को दूर करनेके लिए आप क्या सुझाव देंगे?

- 1.
- 2.
- 3.

अन्वेषक की टिप्पणी:-

अन्वेषक का हस्ताक्षर

विकास खण्ड का नाम :-

ग्राम पंचायत का नाम :-

राजस्व गांव का नाम :-

योजना का नाम	वर्ष	लाभान्वित व्यक्ति की संख्या				
		SC	OBC	Min.	Other	Total
अन्नपूर्णा योजना	97-98					
	98-99					
	99-00					
आई0आर0डी0पी0	97-98					
	98-99					
	99-00					
ट्राइसेम	97-98					
	98-99					
	99-00					
डी0डब्लू0सी0आर0ए0	97-98					
	98-99					
	99-00					
एम0डब्लू0एस0	97-98					
	98-99					
	99-00					
राष्ट्रीय वृद्धावस्था पेंशन	97-98					
	98-99					
	99-00					
राष्ट्रीय परिवार लाभ योजना	97-98					
	98-99					
	99-00					
राष्ट्रीय मातृत्व लाभ योजना	97-98					
	98-99					
	99-00					
राष्ट्रीय विधवा पेंशन कार्यक्रम	97-98					
	98-99					
	99-00					
राष्ट्रीय विकलांग अनुदान योजना	97-98					
	98-99					
	99-00					
इन्दिरा आवास योजना	97-98					
	98-99					
	99-00					

Contd...

योजना का नाम	वर्ष	लाभान्वित व्यक्ति की संख्या				
		SC	OBC	Min.	Other	Total
राष्ट्रीय उन्नत चूल्हा कार्यक्रम	97-98					
	98-99					
	99-00					
ग्रामीण स्वच्छता कार्यक्रम	97-98					
	98-99					
	99-00					
जे.आर.वाई./इ.ए.एस.	97-98					
	98-99					
	99-00					
छात्रवृत्ति एवं मध्यान्ह भोजन	97-98					
	98-99					
	99-00					
सम्पूर्ण साक्षरता अभियान	97-98					
	98-99					
	99-00					
समन्वित बाल विकास परियोजना	97-98					
	98-99					
	99-00					
बालिका समृद्धि योजना	97-98					
	98-99					
	99-00					
अन्य	97-98					
	98-99					
	99-00					

विकास खण्ड का नाम :-

ग्राम पंचायत का नाम :-

राजस्व गांव का नाम :-

क्रम संख्या	विवरण	सूचनाएं
1	बी.पी.एल. परिवारों की संख्या	
2	ए.पी.एल. परिवारों की संख्या	
3	कुल परिवारों की संख्या	
4	बी.पी.एल. अनुसूचित जाति परिवार की संख्या	
5	ए.पी.एल. अनुसूचित जाति परिवार की संख्या	
6	गांव की जनसंख्या (क) पुरुष (ख) महिला (ग) बी.पी.एल. (घ) ए.पी.एल. (ड.) बी.पी.एल. अनुसूचित जाति (च) ए.पी.एल. अनुसूचित जाति	
7	साक्षर व्यक्तियों की संख्या (क) पुरुष (ख) महिला	
8	विद्युतकृत परिवारों की संख्या	
9	यातायात साधन (मीटर में) (क) पक्की सड़क की लम्बाई (ख) खडंजा की लम्बाई (ग) कच्ची सड़क की लम्बाई (घ) कंकड़ की पक्की सड़क की लम्बाई	
10	पेयजल सुविधा (संख्या में) (क) इण्डिया मार्का - II (ख) पेयजल कूप (ग) पाइपड पेयजल	
11	सिंचाई के साधन (संख्या) (क) नहर (ख) राजकीय नलकूप (ग) निजी नलकूप (घ) तालाब (ड.) कूप/रहट (च) पन चक्की (छ) डिग्गी (ज) अन्य-	

नोट:- उपरोक्त सूचनाएं 1998 में हुई बी.पी.एल. सर्वेक्षण के आधार पर दें।